

Testimony by Stuart S. Janney III
Chairman
The Jockey Club
House Energy & Commerce Subcommittee on Digital Commerce and Consumer Protection
HR 2651 Horseracing Integrity Act
Friday, June 22, 2018

Dear Chairman Latta, and Ranking Member Schakowsky,

My name is Stuart Janney, and I am the Chairman of The Jockey Club and I appreciate you giving us the opportunity to share our support of H.R. 2651, the Horseracing Integrity Act and its importance on our industry.

We have all seen how Congressional hearings in the past have expedited beneficial changes in other professional sports, particularly in the area of performance enhancing drugs.

On behalf of The Jockey Club and the Coalition for Horse Racing Integrity, I can tell you we are hopeful that will be the case with this hearing and that it will result in the passage and enactment of the Horseracing Integrity Act, H.R. 2651, which would establish an independent non-profit corporation with the responsibility for developing and administering an anti-doping and medication control program for horse racing.

This legislation, when passed, would enhance the overall integrity of horse racing and ensure that level playing field for those who compete (owners, trainers and jockeys) and for those who wager on the outcome of our races.

Beyond that, it will help sustain and grow a sport that is part of a vibrant equine industry that accounts for an economic impact of \$122 billion dollars a year as well as 1.74 million jobs and \$79 billion dollars in salaries, wages and benefits. [American Horse Council Economic Impact Study of 2017].

Even more importantly, this legislation will further ensure the well-being of our equine athletes.

As a Thoroughbred owner and the chairman of The Jockey Club, I have a deep interest in this issue for both personal and professional reasons.

I took over my parents' racing stable in the late 1980s. Today, I have about 20 mares and their offspring are trained by Shug McGaughey at Belmont Park or at our training center at Fair Hill, MD, before going to Florida for the winter months.

We have won some great races through the years, including the Kentucky Derby with Orb on May 4, 2013.

On the professional side, this issue is extremely important to the Thoroughbred industry, and especially to The Jockey Club, which has been advocating for medication reform, including uniform rules, in our sport for decades.

I would like to share with you some background of The Jockey Club and explain why this legislation is so important to us.

The Jockey Club is the breed registry for Thoroughbreds in the United States, Canada, and Puerto Rico. It was formed in 1894 to maintain the integrity of *The American Stud Book* and to ensure that all foals are the descendants of a sire (father) and dam (mother) that were registered Thoroughbreds.

To register a Thoroughbred in North America, breeders must comply with the rules of registration as set forth in the *Principal Rules and Requirements of The American Stud Book*. You can learn more about The Jockey Club at jockeyclub.com.

However, The Jockey Club's contributions to the Thoroughbred industry go well beyond registration. The Jockey Club has a group of commercial, for-profit subsidiaries and a commercial partnership, each with a twofold purpose: to serve specific segments within the industry using highly efficient, state-of-the-art technology platforms and to generate profits that are invested in myriad industry initiatives designed to improve the health, safety, and welfare of our equine athletes.

For many years, The Jockey Club has advocated for the welfare of Thoroughbreds during and after their racing and breeding careers. We have spearheaded or assisted with numerous initiatives devoted to medication uniformity and reform.

The welfare and safety initiatives include:

- Thoroughbred Aftercare Alliance
- Thoroughbred Incentive Program
- Equine Injury Database
- Thoroughbred Safety Committee
- Welfare and Safety of the Racehorse Summits
- Jockey Health Information System
- Jockey Injury Database
- Pre-race examination software module
- Thoroughbred Connect
- Retirement Checkoff Program
- Tattoo Identification Services

The medication uniformity and reform initiatives include:

- Racing Medication and Testing Consortium (RMTC)
- Graded Stakes Out-of-Competition Testing Grant Fund
- Reformed Racing Medication Rules
- A trainer rulings database (thoroughbredrulings.com)
- [Horseracingreform.org](http://horseracingreform.org)

These initiatives have helped with welfare, safety, and medication reform, but unfortunately, the regulation of horse racing in the United States is still highly fragmented.

For example, the RMTC, a national organization committed to tackling issues relating to the medication and post-race testing of racehorses, has been working for more than a decade to promote uniform rules

and testing standards at the national level, culminating in the National Uniform Medication Program (NUMP) in 2012.

The National Uniform Medication Program featured these four components: implementation of a two-tier drug classification system, race-day furosemide administration by an official veterinarian, accreditation of all equine drug-testing facilities, and adoption of the current Association of Racing Commissioners International (ARCI) Penalty Guidelines for Multiple Medication Violations.

However, as of December 2017, not one state had adopted all components.

In December 2016, the latest component of the NUMP, the out-of-competition testing protocol, was approved by the ARCI. Eighteen months later, the industry is still awaiting uniformity among racing jurisdictions with this essential component of competition integrity.

The Graded Stakes Out-of-Competition Testing Grant Fund program, designed to encourage more out-of-competition testing for the presence of blood doping agents and ARCI Class 1 substances, was implemented by The Jockey Club in 2014, yet only a handful of tracks have taken advantage of the program.

Even more confounding is that racing commissions refuse to divulge the number of out-of-competition tests that have been performed.

As we have learned from other sports worldwide, transparent out-of-competition testing is vital to any successful anti-doping program.

Many of you, I am sure, may be wondering why any industry would ask Congress to engage in an area that has been the traditional domain of state regulators.

There are two reasons.

First, there are 38 racing jurisdictions in the U.S., and each is governed by its own set of rules. Despite decades of trying to achieve uniformity, the goals set for and by the industry have not been achieved.

Secondly, Congress has helped our industry in the past. In 1978, this committee passed the Interstate Horseracing Act (IHA), which allowed wagering across state lines. Today, fully 90% of all wagers are interstate in nature, and our industry would be a shell of itself without the IHA.

If anyone needs further proof that Thoroughbred racing is an interstate activity, consider this: the 27 horses who competed in the recently completed Triple Crown races [Kentucky Derby, Preakness and Belmont Stakes], raced at an average of five different tracks and 3.5 different states [as of June 9, 2018].

But it seems like our industry is continually hampered by a system of rules and regulations from another era. In fact, many of the laws we have on the books were written when state racing commissions were created more than five decades ago. The world, and our sport, has changed drastically.

With the growing sophistication of performance enhancing drugs, we always seems to be a step behind the cheaters. We've read and heard ugly tales about the use of demorphin, cobra venom, steroids, blood doping and "milkshaking."

We strongly believe that our sport needs an independent organization, free of conflicts of interest, to apply uniform rules, stringent out-of-competition testing, tough penalties, and effective enforcement, which will ensure clean competition and improvements in racing safety.

This is consistent with our core belief that *horses should compete only when they are free from the influence of medication.*

This is why The Jockey Club supports the passage of the Horseracing Integrity Act of 2017, H.R. 2651, and why it continues to encourage other like-minded organizations and individuals to join its efforts.

Under the aegis of the United States Anti-Doping Agency (USADA), the agency recognized by Congress as the official anti-doping agency for the Olympic, Pan American, and Paralympic sports, H.R. 2651 would create the Horseracing Anti-Doping and Medication Control Authority (HADA), a private, not-for-profit, non-governmental, independent authority responsible for developing and administering a nationwide anti-doping program, including extensive out-of-competition testing, for horse racing.

With limited oversight under the Federal Trade Commission, HADA would be governed by a board composed of the chief executive officer of USADA, six individuals from the USADA board, and six non-conflicted experts selected by USADA who have demonstrated experience in a variety of horse-racing areas.

HADA would work collaboratively with state racing commissions and their respective staff members throughout the country, and would be funded entirely by the industry. The Act allocates no federal tax payer funding to HADA.

Significant support for this reform exists throughout the racing industry, including Breeders' Cup Ltd.; Consignors and Commercial Breeders Association; the International Federation of Horseracing Authorities; Keeneland Association; New York Racing Association; Frank Stronach, founder of The Stronach Group, which owns several tracks; The Jockey Club of Canada; the Thoroughbred Owners and Breeders Association; and the Water Hay Oats Alliance, which includes approximately 65 racehorse trainers.

Many animal welfare groups also back the legislation, including the American Society for the Prevention of Cruelty to Animals, The Humane Society of the United States and Humane Society Legislative Fund, and the Humane Society Veterinary Medical Association.

Several prominent individuals have expressed their sentiments in support of federal legislation: [on the Coalition for Horse Racing Integrity website]. A small, abbreviated sample:

Arthur and Staci Hancock, Founders of the Water Hay Oats Alliance and the owners of Stone Farm in Paris, KY: "With the support of the Horseracing Integrity Act, our great sport can rebuild its reputation, protect our beloved horses and their jockeys from catastrophic injury, AND reclaim racing's place as one of America's top spectator sports."

Chris McCarron, Hall of Fame jockey: "As a former jockey and instructor of future jockeys, horsemen and horsewomen, I believe it is imperative that the efforts to establish uniform medication rules, including the penalties that should be imposed on any person(s) violating such rules, should be the most important item on any agenda related to thoroughbred horse racing. I support the efforts to pass legislation that

would provide an oversight role of the US Anti Doping Agency because all other efforts have failed miserably."

Representative Andy Barr (R-KY): "My vision is that a new golden era of Thoroughbred racing is not only possible but readily achievable with reform that tears down barriers that divide the industry and unites the sport under a single, uniform set of medication rules and procedures. ... With the privilege of representing the Horse Capital of the World comes the responsibility of fighting for its future."

Steve Beshear, former Governor of Kentucky: "There is no state in this nation with more at stake both economically and emotionally [than Kentucky] as our industry wrestles with the issue of medication and its impact on safety, integrity and trust...[The last few decades have] "demonstrated conclusively that individual state racing commissions just can't get this job done...Folks, the only way we're going to achieve those changes is through federal legislation."

Hall of Fame trainer Jonathan Sheppard: "We need more sophisticated drug testing, stiffer penalties for major offenses, and uniform testing and medication policies. As a trainer who races in many different states, it has become almost impossible to keep up with all the permissible dosages and withdrawal times. Although a lot of good work has been done to simplify these rules, I believe that the time has come for horse racing to follow the lead of human athletes and to appoint an independent body to police our sport. There is just too much money and too much self interest at stake to expect a level playing field if this is done internally."

Barry Irwin, owner of Team Valor International: "We need the government to do one thing for us and that is to use its standing to empower USADA...USADA is the solution not only because it is effective at what it does, which is to ensure the integrity of sport, but because its independence from the sport itself and its hierarchy is embraced totally by a public hungry for a return to the ideals of sportsmanship. I hope that all participants in racing realize the importance of this new legislation and do whatever they can to support it."

Ultimately, HADA would achieve uniformity and help ensure equine welfare, protect the integrity of the sport, and promote a sustainable industry.

The Jockey Club's determination to enhance the welfare and safety of horses and riders and to achieve medication uniformity and reform is longstanding and well-documented.

We will continue to devote our human, financial and technological resources toward these goals.

In closing, I would like to reiterate some sentiments I expressed at The Jockey Club's annual Round Table Conference in Saratoga Springs, NY last August.

We believe it is appropriate for the federal government to police racing. Those who cheat are corrupting the interstate wagering system -- the very definition of federal responsibility and a system made possible by the federal Interstate Horseracing Act of 1978.

Second, the states in so many ways have demonstrated their inability to get the job done.

Think of how many of our problems would be addressed to some degree by a uniform system of regulation, good testing, and penalties with teeth. It wouldn't address all of our sports issues, but it would be a great start and a meaningful foundation for growth.

We look forward to working with this Committee and other state or federal agencies or lawmakers on the passage of this bill.

Thank you, again, for your interest in our sport and for this opportunity to share some insights about H.R. 2651 and its importance to the sport of Thoroughbred racing.