

Instant horse racing earns big bucks, draws concerns

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BOISE, Idaho (AP) - Nestled in the heart of the small town of Garden City, just outside of Boise, are 200 slot-like machines collecting millions of dollars each month.

Friendly staffers at Les Bois Park walk around offering drinks from the bar while rows of machines display brightly colored animations, blast chirpy music as bets are placed in mere seconds.

The modest betting parlor is nothing compared to the over-the top casinos seen in Las Vegas. However, unlike in Nevada, slot machines are explicitly banned under Idaho's constitution. Proponents say the slot-like machines are saving a dying horse racing industry, while others say they are cleverly-disguised illegal gaming devices.

"They look like slot machines because they're supposed to look like slot machines," said Idaho Racing Commission Executive Director Frank Lamb. "That's what people want. This is what we need to do to get people to play."

According to racing commission, the kind of gaming on the machines is called "instant racing."

Instant racing -also known as historical horse racing- was legalized in in Idaho in 2013 after horse industry representative argued they needed them to save their dying trade. Horse racing in Idaho has been on a steady decline for decades as fewer people attend live racing events and other forms of gambling have taken over.

The machines have shown to be profitable money maker.

Bettors wagered nearly \$2.2 million the first month after Les Bois Park installed 200 new machines. By October, that monthly total had jumped to more than \$7.2 million, according to information provided by the Idaho Racing Commission.

More than \$218,000 has gone to purses -which is divided among the horse owners- while Les Bois Park's gain has been \$1.4 million since the installation of the terminals. The rest was paid out to bettors and state taxes.

The gain is a significant increase compared to a few years ago. In 2011, Les Bois Park net fell short \$720,000.

"The whole point is to increase the purses to bring back the horse racing business," Lamb said.

"The more money is being spent, the better."

To lawmakers, instant racing was sold as another form of pari-mutuel betting, similar to betting on a live horse race, because bettors waged against other players rather than the house. Under the system, identifying information about the horse and race is removed, so bettors can't check the winner before making the bet.

The machines installed at Les Bois Park show the last few seconds of the race on small, 2-inch screen while the slot-like machine spins with different symbols.

"I would call it hoodwinked," said Republican state Rep. Steve Harris of Meridian. "After talking to my colleagues after the bill passed, I think they thought it was sold as a historical race being shown on one big screen. Not on one small, electronic screen."

Harris says he's personally opposed to gambling but added that these machines should be reviewed again by the legislature because they might be breaking the state constitution. He doubts, though, that any change will come during the 2015 Idaho Legislature but is meeting with lawmakers to discuss the issue.

Currently, three out of nine racetracks in Idaho have instant racing.

The most recent of which was the opening of a handful of racing terminals at Double Downs Bar and Grill in Idaho Falls that wasn't directly on-site of the racetrack.

According to Idaho law, all instant racing must take place on a state-licensed racetrack, with the exception that the racetrack may allow simulcast and pari-mutuel betting off-site to attract more customers. This is because most Idaho racetracks are tied to county fairgrounds, which are normally away from major cities.

Helo Hancock, legislative director with the Coeur d'Alene Tribe, said the tribe didn't oppose instant racing when it was first proposed. But after seeing the popularity and the move to add them off-site the track, he's concerned.

He added that when the tribe wanted to buy property and turn it into a casino, Idaho said no because it would be off the reservation.

"It's really a double standard," he said. "I think there needs to be light shed on this. We now have casino gambling in potentially every county in the state."

Besides Idaho, instant racing is legal in Kentucky, Alabama, Oregon and Wyoming. Their legality has been challenged in court for years.

In Wyoming, the state Supreme Court said in 2003 that instant racing was illegal, ruling "we are dealing with a slot machine that attempts to mimic traditional pari-mutuel wagering. Although it may be a good try, we are not so easily beguiled."

In the same year, Oregon also outlawed instant racing. By 2013, both state legislatures had approved reinstating the machines.

"The notion that there's a betting pool is ludicrous ... And nobody is pushing against this in Idaho," said Jonathan Krutz, board member of Stop Predatory Gambling. "There hasn't been the political will."