

Gambling in Idaho: A look at how we got here

By KIMBERLEE KRUESI, Associated Press

BOISE, Idaho (AP) — Nearly 125 years ago, Idaho's Constitution was short and sweet on the subject of gambling: There'd be no "lottery or gift enterprise."

Today, Idaho residents looking for a place to lose or win a quick buck need only to stop by the nearest gas station, grocery store, bar, race track or Indian casino.

Over the years, lawmakers allowed slot machines then repealed them after they were declared unconstitutional. Now, legislators are revisiting another law that allowed slot-like machines known as instant horse racing terminals.

And as the debate continues over the new legislation, scrutiny over the rise in options and popularity in where and how residents can make a quick buck has also increased.

—SLOT MACHINES BANNED

Idaho's brief affair with legal slot machines ended more than six decades ago. From 1947 to 1953, one-armed bandits could be found on the outskirts of Idaho Falls, Pocatello and Garden City. But once the Idaho Legislature declared slot machines unconstitutional, machine owners faced the option of "destroying them or shipping them to Nevada," according to an Associated Press report from 1984. Many were stolen as a result of the ban, however, only to be tossed into rivers soon after. As of the 1980s, scuba divers were still finding abandoned old-timey slots with silver dollars in them.

—LOTTERY APPROVED

Idaho first approved authorizing a lottery in 1988, but not without a fight.

Lawmakers had squelched prior lottery attempts for years. When a 1986 citizen's initiative approved creating a lottery, many lawmakers objected on the grounds that it lacked the needed legislative approval to amend the Idaho constitution. The Idaho Supreme Court later voided the effort, but the tide was already turning. Lawmakers approved placing the lottery measure on the ballot two years later, where it squeaked by in the general election.

—TRIBAL GAMING COMMENCES

Legalization of a state lottery quickly kicked the door to tribal casino gaming open. Under federal Indian gaming law, Idaho tribes could only operate their own bingo and lottery operations as long as the state also authorized that form of gaming.

Yet tension over gambling between the state and tribes has remained.

In 2002, the Nez Perce and the Coeur d'Alene Tribes poured \$3 million into a campaign to allow video gaming machines onto their casinos. The constitutional amendment included specific language that said as long as the machines do not have a lever or dispense coins — only cash out tickets— then they could not be defined as a slot machine and nor are they a simulation of casino gambling.

Before Proposition 1, the state and tribe couldn't agree which types of gaming devices were legal in Idaho. The ballot initiative, approved on a 57 percent vote, settled the question.

In 2006, the 9th Circuit Court of Appeals upheld the tribe's ability to offer video gaming devices after the state sued. The court's decision also influenced a 2009 ruling where the Idaho Supreme Court declared Idaho could no longer sue regarding the constitutionality of the tribe's machines.

—HORSE RACING TAKES THE LEAD

Idaho may have banned slot machines in the 1950s, betting on horse racing has been legal since 1963. For years, horse racing tracks were quite literally the only game in town. However, with the rise of the lottery, tribal casinos and online gambling, the horse racing industry across the country has plummeted.

One glimpse of hope, however, remained in a form of gaming called instant horse racing, approved by the Idaho Legislature in 2013.

On a slot-like machine, bettors place wagers with no identifiable information on the horses or track. Horse racing representatives claim the machines will save their failing industry. However, some lawmakers have since claimed they were duped into approving a cleverly disguised slot machine.

Legislation backed by the Coeur d'Alene Tribe seeking to repeal the machines is making its way through the Idaho House after sailing through the Senate.

—NEW TECHNOLOGY

With almost all attention focused on the tribes and the horse racing industry, the Idaho Lottery has quietly unrolled their own touch screen machines. The machines mimic the classic pull-tab lotto tickets but are paperless and can be played instantly.

The machines are already proving to be highly lucrative. In 2011, when the machines were first installed, the Idaho Lottery collected roughly \$2.9 million in sales. By 2014, the sales had jumped to \$21.2 million.

Similar machines were deemed illegal in Iowa in 2006 despite having been overseen by the state lottery.

But in Idaho, the machines haven't yet faced the scrutiny from lawmakers to the same degree instant horse racing has faced this year.

