

Wyoming horse racing terminals remain shut down

BOB MOEN, Associated Press

CHEYENNE, Wyo. (AP) — The Wyoming Pari-Mutuel Commission declined to lift its suspension of historic horse racing terminals throughout the state despite pleas from industry representatives that the shutdown has put their businesses in financial peril.

The decision Thursday means the machines, which have been shut down since Sunday, will remain unplugged at bars and off-track betting sites until they are compliant with state law.

The commission suspended use of the machines after a Wyoming attorney general's opinion concluded the terminals do not conform with state law that prohibits slot machine-type gambling in most of the state.

"We understand the situation where shutting you down causes economic hardship for a lot of people," commission President Randy Leinen said, speaking for himself during the meeting. "However, being in violation of the law per the attorney general's opinion, I could not in good conscience allow this to continue."

Operators of pari-mutuel horse racing — both live and off track — say their operations are in jeopardy because historic horse racing amounts to about 90 percent of their gross revenue. They wanted the suspension lifted while they worked to make the machines compliant.

"This is a crisis for our industry, and we just need to figure out how we can move forward," Eugene Joyce, president of Wyoming Horse Racing LLC, said in an interview after the meeting.

The machines, also known as instant horse racing, allow bettors to place wagers on prior horse races but without any information about which races they're betting on. In addition, the machines have functions that mimic slot machines.

Neighboring Idaho this year banned similar machines in that state because of concerns that they resembled slot machines.

Joyce said his company, which has about 100 employees statewide, has grossed about \$7.5 million so far this year from historic horse racing, simulcast racing and live horse racing. But 91 percent of his gross revenues come from historic horse racing.

"I don't know of any business that can lose over 90 percent of its revenue for three or four months without dire consequences happening," Joyce said. "And that's what we face."

Eric Nelson, part owner of Wyoming Downs, said he has already laid off 40 to 50 people in Wyoming and at his headquarters in Las Vegas. In addition, Wyoming Downs has about \$10 million invested in equipment and buildings associated with the machines, Nelson said.

Nelson said the horse racing machines may have "bells and whistles" similar to slot machines but the two are different. A slot machine player is competing on one machine against the house, while an historic horse racing machine player is competing against other players on other machines hooked into the game, he said.

Both Joyce and Nelson said the revenue from historic horse racing has been key to running and growing live horse racing in Wyoming. Their companies have held live horse racing in Evanston, Rock Springs, Gillette and Casper.

"Without it, I mean live horse racing is dead," Joyce said. "The industry is dead."

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