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Decision delayed on allowing slot-machine like devices in Texas

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Texas officials aren't ready to take up the issue of historical racing — and perhaps they never will.

Texas racing commissioners said Tuesday that they received more than 13,000 comments on a proposal to allow “historical racing,” the replaying of already-run races on slot machinelike devices, at horse and dog race tracks

As a result, they won't formally take up the issue this month, but they will continue to study it.

“Don't over read it either way that it's not coming up this month,” said Racing Commission Chairman [Robert Schmidt](#) of Aledo, a local orthopedic surgeon. “We are trying to do our due diligence and be as open and transparent and possible.

“If you are going to take the time to write the Racing Commission, we need to take the time to read it.”

The absence of the issue on the agenda for the commission's Aug. 12 meeting drew mixed reactions.

Supporters maintain that this form of instant racing is needed to help struggling Texas racetracks compete with out-of-state tracks that offer casinos, bigger crowds and bigger purses.

“The ultimate success or failure of this measure may actually predict the success or failure of our entire industry,” said Mary Ruyle, executive director of the Texas Thoroughbred Association. “We remain hopeful that the Texas Racing Commission will consider pari-mutuel wagering on historical racing before the end of this year.”

She said she worries that “a massive amount of misinformation disseminated, for which we must continue our effort to provide verifiable information, to not only the public, but to commissioners who may still need clarification.”

Detractors maintain that the machines look and act much like slot machines, essentially bringing a form of casino-style gambling to Texas. And some question whether the commission has the authority to approve the devices.

“We are hopeful that the Texas Racing Commission is going to consider the constitutional concerns that have been raised about allowing slot machines at racetracks,” said Christine Dorchak, president and general counsel of Grey2K, a greyhound protection organization.

“In any case, we are glad the Texas Racing Commission is pausing at this point.”

If the commission doesn't act by the end of the year on the proposal — which would affect racetracks including Lone Star Park, a horse track in Grand Prairie — the proposed change will automatically expire.

State Rep. Dan Flynn, R-Van, has sent a letter to Texas Attorney General Greg Abbott [asking](#) whether the commission has the authority to allow the machines at racetracks.

Individual lawmakers as well as the Texas Senate Caucus and others have asked the commission not to move forward with the proposal, saying that the proposed rules would expand gambling in Texas. a decision reserved for the Legislature.

Similar to slots?

For years, gambling advocates have unsuccessfully asked state lawmakers to let them add slot machines or casino gambling at racetracks statewide, something they believe is needed to keep Texas competitive with other states that offer the same games of chance.

The commission received a petition this year from a number of people who race and breed horses in Texas, asking for [rule changes](#) to allow historical race wagering, or instant racing.

The games are also known as instant racing machines and have the look and feel of video lottery terminals that would be displayed on machines similar in size and appearance to slot machines and would randomly replay races that have already been held.

But unlike slots in traditional casinos, the payoffs of racing machines are tied to historical race results. No information such as horse names, dates and tracks is included that could help players identify the winners in advance.

Lawmakers in some states have bought into the argument that allowing racing machines is an extension of pari-mutuel wagering, and not an expansion of casino gambling.

The horse racing industry in Kentucky reports that it has been a big moneymaker, with more than \$30 million being wagered on instant racing in May alone at just two tracks.

Opponents say it's ridiculous to argue that historical racing would not be expand of casino-style gambling in Texas.

They say that if it looks and plays like a slot machine, it's effectively a slot machine regardless of whether a pari-mutuel system determines the payoff.

Commission officials say they have looked into the issue and a rule change to allow instant gaming isn't an expansion of gambling.

Deadline: end of the year

Racing officials stress that they hope Texans don't read too much into their decision to delay the issue.

"We appreciate the thousands of comments submitted on both sides of the issue and they will be invaluable to the commissioners as they deliberate," said Robert Elrod, public information officer for the commission. "This decision to take more time to study the issue is not indicative one way or the other of any future action they may take.

"The commission could take action on the rules at a later date, but it has the option to delay action until as late as Dec. 27," he said. "If the commission takes no action by Dec. 27, the proposed rules will automatically expire by operation of law."