



January 6, 2015

The Honorable Butch Otter
Governor of Idaho
P.O. Box 83720
Boise, Idaho 83720

The Honorable Lawrence Wasden
Attorney General of Idaho
P.O. Box 83720
Boise, Idaho 83720

RE : Instant Racing Casinos in Idaho

The purpose of this letter is to communicate our alarm and concern for what has become an unprecedented and illegal expansion of casino gaming outside Idaho Indian Reservations under the guise of "historical horse racing" which is more commonly known as "Instant Racing." In the cities of Post Falls and Boise, where the State of Idaho has consistently opposed having Indian gaming, there is now a casino in each location and another casino is going in at an off-track sports bar in Idaho Falls. We urge you to take immediate action to stop this illegal activity.

In 2013, the Idaho Legislature passed House Bill 220, now codified at Idaho Code §54-2512A, which authorizes pari-mutuel wagering on "historical" or previously run horse races. Express representations were made in committee hearings by proponents of the bill that "the only difference between historical racing and traditional pari-mutuel wagering is that a patron is wagering on a previously run horse race." Based on this false representation, Tribes in Idaho did not oppose the bill and we have learned many legislators who supported the bill did so under the same false premise.

However, this description of historical horse racing or Instant Racing could not be further from the truth. Since that time, much more has been exposed concerning the truth about Instant Racing. Legislators have raised concerns that they were “duped” and have had “buyer’s remorse” for having passed the bill without limitations and restrictions which has allowed track owners to exploit the law.

Interestingly, other states have rejected Instant Racing once more information was provided. In fact, the Wyoming Supreme Court ruled that Instant Racing machines were illegal under Wyoming law, stating that “we are not dealing with a new technology here, 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.” *Wyo. Downs Rodeo Events, LLC v. State*, 134 P.3d 1223 (Wyo. 2006).

The machines currently being used at Les Bois Park and Greyhound Park do not employ pari-mutuel wagering. Rather, the last two seconds of a “race” appears in a tiny one inch x two inch video while the payout is displayed in a spinning slot reel format on the full monitor. Furthermore, there is no limit on the number of machines these Instant Racing casinos can have and there is no limit on the number of counties in Idaho that can have these Instant Racing casinos.

As you are aware, Indian gaming was authorized for the specific purpose of allowing Indian Tribes and their members to overcome epidemic levels of unemployment and abject poverty. The Tribes traveled around the state to explain to Idaho citizens openly and honestly what we wanted to do and why we wanted to do it. Simply stated, Tribes were in dire need of economic revitalization with reservation living conditions that rivaled third-world countries. Certain elected leaders of the State of Idaho fought vigorously against Indian gaming claiming all manner of social ills and moral turpitude would abound if Tribal casinos were approved.

However, those claims did not come to fruition and instead Tribes have developed into the major economic and employment drivers in their respective regions. Idaho’s Tribes are now one of the state’s top ten largest employers with an annual cumulative economic impact of nearly \$1 billion. Thus, we find it hard to understand how the State can allow this undisputed socioeconomic progress to be jeopardized by this new form of casino gaming.

The fact of the matter is the citizens of Idaho have been victim to a classic “bait and switch.” Instant Racing machines must be stopped. Unless immediate action is taken to stop this, it would appear that the state is only concerned about vigorously defending the anti-gambling provisions of the Idaho Constitution when its elected leaders believe it

involves Indians. This double standard, as you know, cannot be legally or publicly defensible.

We look forward to your prompt attention to this important matter.

Sincerely,



Chief J. Allan, Chairman
Coeur d'Alene Tribe



Nathan Small, Chairman
Shoshone-Bannock Tribes



Gary Aitken Jr., Chairman
Kootenai Tribe



Lindsey W. Manning, Chairman
Shoshone-Paiute Tribes

cc.

Pro Tempore Brent Hill, Idaho Senate
Senator Bart Davis, Majority Leader, Idaho Senate
Senator Michelle Stennett, Minority Leader, Idaho Senate
Speaker Scott Bedke, Idaho House of Representatives
Representative Mike Moyle, Majority Leader, Idaho House of Representatives
Representative John Rusche, Minority Leader, Idaho House of Representatives
Senator Curt McKenzie, Chairman, Senate State Affairs Committee
Representative Tom Loertscher, Chairman, House State Affairs Committee
Jeff Anderson, Director, Idaho Lottery Commission