

Gaming Research Tip Sheet

.....quick start for studies, reports and papers

© 2004 UNLV International Gaming Institute Betty McNeal, author bmcneal@cmail.nevada.edu

Tip Sheet #34: Racing, Sportsbetting, Jai Alai, Lotteries & Bingo

Racetrack slump. Horse racing may be the sport of kings but in recent years its popularity and revenue have fallen. To remedy this, a new venue, called a racino has been licensed.

A racino is a racetrack that offers slot machines. States in the forefront of racinos are: Delaware, West Virginia, New Mexico, Louisiana, Iowa, Rhode Island. States considering racinos as of 2004 include Pennsylvania, Maryland, and New York.

Racino statistics. Racing is regulated by a state commission much like casinos. Search the web site of these regulatory agencies for gaming revenue and other statistics.

Miscellaneous stats for recent years show:

---Delaware park, 2002, \$185.6 million
---Mountaineer Park (WV) Week ending Nov 8, 2003. \$5 million
---Iowa, 2002, \$97 million
---Rhode Island (greyhound racing), 2001. \$104 million
---Dover Downs (DE). Month of January, 2003. \$146 million

Sportsbetting. Nevada is the only state where sports betting is lawfully permitted. Baseball, basketball, football (especially the annual Super Bowl), golf and other sports can be wagered on there. Controversies continue over

betting on college sports as some see this as subjecting athletes to offers from the underworld to deliberately influence the outcome of a game. Illegal betting on sports is rampant, from office pools to large betting operations.

Jai alai. Jai alai is a little know sport confined mostly to Florida and Rhode Island. Search the Internet for leads as to details of the games and gaming revenues. Limited interest and meager revenues make this a minor gaming segment.

Lotteries. In contrast to casinos that are privately or tribally owned with taxes to the states or profits to tribes, lotteries are numbers games operated by the state. Proceeds go to the state general fund or specific areas, such as education. Multi-state lotteries, such as Powerball can produce jackpots in the hundreds of millions.

Worldwide, lotteries are very popular and exist in many countries. Lottery play is subject to gambling addiction much like casino gambling.

Bingo. Bingo can be a charitable event with proceeds to a church or civic organization or can be operated by a commercial casino or Native American tribe. Prizes are no longer small or token rewards. In places like western Canada, bingo is more popular than casino gaming.

Suggested topics for research.

- legal problems of the Irish Sweepstakes or El Gordo (Spain)
- risks of U.S. players and the Canadian provincial lotteries
- impact of racinos on nearby commercial and Indian casinos
- effect of lotteries on reducing illegal numbers games
- effects of casino gaming on a state lottery
- racinos as a quick fix for sagging state budgets
- history of pre-casino Native American bingo parlors
- NCAA policies on college athletic wagering
- impact of Professional & Amateur Sports Protection Act
- postal regulations on mailing lottery tickets
- status of Amateur Sports Integrity Act

For more information.

La Fleur's Lottery World (periodical).

The big gamble: The politics of lottery and casino expansion. VonHerrmann, D., 2002.

Hitting the lottery jackpot: State government and the taxing of dreams. Nibert, D., 2000.

The mob's daily number: Organized crime and the numbers gambling industry. Liddick, D., 1999.

College sports wagering: A case study about gambling on college athletics and the motivation and consequences surrounding legislation wanting to ban wagering on college sports. Huffey, N., 2001.