

Horse racing industry bets on casinos

Bourbon County, Kentucky – Arthur Hancock, a fourth-generation thoroughbred breeder, pointed out his office window on a recent morning to illustrate a fundamental difference between horse racing and casino gambling.

A shimmering copper sun was rising over his 1,800-acre bluegrass farm. A clutch of lithe prize ponies grazed under a gunmetal sky.

„Look out there,“ said Hancock, 64. „This is a whole different world.“

Las Vegas it was not. But Vegas-style gambling is threatening to intrude on Kentucky’s genteel horse culture. And to Hancock’s chagrin, it is his fellow horsemen who have been its most fervent advocates.

They want voters and legislators to approve a constitutional amendment that would legalize casinos in Kentucky. And they want some of those casinos located at racetracks, where a portion of casino earnings would be used to fatten racing purses.

The strategy already has been embraced by 10 states, including California, to help the beleaguered horse racing industry, which since the 1980s has faced increasing competition from casinos.

Many Kentucky breeders and trainers believe the plan is crucial to saving their state’s signature industry. Racing jobs and thoroughbreds, they say, are already flowing to states with bigger purses.

„We’re the horse capital of the world, and I don’t see how

we're going to survive if we don't do something about it," said Buff Bradley, a trainer at Turfway Park, south of Cincinnati.

The debate is about more than saving the racing industry. Supporters, including recently elected Democratic Gov. Steve Beshear, hope to use casino revenues to generate millions for a cash-strapped state government. Opponents say the funding will come from Kentuckians gambling away their milk money – a troubling prospect for a state with the sixth-highest poverty rate in the nation.

But the issue also is tangled in the mystique of an industry central to Kentucky's identity and economy.

Horses serve as an important symbol here – the state license plate features a horse and the motto „unbridled spirit.“ And the horse business has fared better than other key industries, such as manufacturing and tobacco. One study from the mid-1990s showed that more than 30,000 jobs were connected to horse racing. More recently, advocates for the broader horse industry estimated its yearly economic impact at USD 4 billion.

Hancock, who has raised three Kentucky Derby champions, fears that casinos will bring a certain tawdriness to the business. He also worries that fast-paced slot machines will lure gamblers away from racing and eventually kill the sport they were supposed to help.

He knows he is in the minority among horsemen. In 2004, industry leaders formed the Kentucky Equine Education Project, or KEEP, a political action committee that now has 11,000 members. It pushed for casinos aggressively, giving more than USD 90,000 to political candidates and endorsing the candidacy of Beshear, who was sworn in in December.

In February, Beshear introduced a plan that would allow for 12 casinos in Kentucky, with as many as seven of them at

racetracks. Legislators altered that proposal to allow for up to nine casino licenses, with no guarantee for the tracks. The state House could take up the measure as soon as next week, though its prospects are uncertain. If the bill passes the full Legislature, it will go before the voters in a fall referendum.

Both supporters and opponents acknowledge that the horse industry holds a special place here. KEEP's board, in announcing its support for casinos in 2005, said it was acting „in the interest of preserving Kentucky's equine heritage.“

The nonprofit group Say No to Casinos played a similar card, hinting that Keeneland – Lexington's old-school, expertly manicured gem of a track – would be defiled if other forms of gambling were allowed. „Can you imagine the thought of Keeneland with neon and a few prostitutes thrown in?“ its website asks.

Because horse racing attracts so many wealthy investors, it is no surprise that class issues have surfaced in the casino debate.

John-Mark Hack, a spokesman for the anti-casino group, called gaming an „extractive industry,“ like coal mining, which takes from the state without giving back much. „This is a critical fight to ensure that Kentucky doesn't continue down its historic path of making a small group of wealthy people wealthier on the backs of the have-nots,“ he said.

Pro-casino horsemen argue that the industry is misunderstood. Without help from casinos, they say, many working-class laborers could be out of a job.

Indeed, on a recent morning at Turfway, there were few opponents of the plan among the grooms, blacksmiths and small-time trainers.

„We'll have to go to other states to race,“ said Steve

Tippett, 63, a trainer who said he learned the business from an old Oklahoma cowboy. „The price of everything has gone up – the price of hay has gone up – and we can't survive here without higher purses.“

Turfway is decidedly less glamorous than Keeneland or Churchill Downs, home of the Kentucky Derby. The horses that run here tend to be of a lower quality, the purses are relatively small, and the Indiana casinos are a short drive away.

The track management decided a few years ago to do away with admission. Fridays are dollar-beer nights.

On a recent weekday, Jeff Schild, a 51-year-old stay-at-home dad, sat in the grandstand, placing a few small bets.

To Schild, a casino at Turfway would mean better horses and better races. And unlike Hancock, Schild isn't too worried about the purity of the sport. Nor does he fret for the poor who might spend their paychecks on the slots.

„You can't legislate intelligence,“ he said.