

## Historical Horse Racing (HHR) machines are essentially slot machines

Historical Horse Racing machines or HHRs are electronic gambling devices that allow players to place wagers on horse races that have already been run. The machines themselves have large databases of historical racing results going back to the early 1990s. Key information – like the course conditions, horse or jockey identity – on which bettors would rely are removed while the odds for each remain.

On April 1, 2024, the Minnesota Racing Commission approved a joint request from Canterbury Park and Running Aces to add 500 HHR machines at each racetrack. According to state gaming regulators at Alcohol Gambling Enforcement, this action was illegal, as HHR machines are gambling devices under Minnesota law and are not pari-mutuel wagering, thus not under the authority of the Racing Commission (see page four). This action usurped legislative authority, as gambling expansion is the business of the Legislature and not regulatory bodies like the Commission.

***These machines are not authorized anywhere in Minnesota law.***

They were also not included in the 1985 statute that made pari-mutuel horse racing legal in Minnesota.

***HHRs are “slot-like” games meant to sidestep the legal definition of slot machines.***

HHRs are based on a formula that randomizes results of horse races. This is no different than creating a formula that operates off historical weather events, sporting events or other criteria that uses the data to determine a win/loss outcome. The inclusion of “horse race data” is a ruse to allow slot machines at racetracks.

**Courts and regulators agree HHRs mimic slot machines.<sup>1, 2, 3</sup>**

HHRs mimic slot machines from beginning to end, even featuring reels, symbols, wilds and bonuses. The player experience of HHR versus a modern video slot machine is essentially identical.

***HHRs are not the same as traditional horse racing***

Traditional horse racing is pari-mutuel, where all similar bets are placed together. But HHRs are not. With both HHRs and slot machines, people place bets individually and the odds and payout are fixed in advance.

The Minnesota Racing Commission was established to ensure the integrity of pari-mutuel horse racing. Under the pari-mutuel statute, the commission does not have the authority to permit HHRs at horse tracks.

***Minnesota should not legalize these “slot-like” machines at racetracks.***

HHRs are not horse racing in any traditional or practical way. HHRs allow players to press a button and watch the reels spin for the outcome. Efforts in past years to authorize slot machines at racetracks, bars, airports and the Mall of America have all failed at the Legislature and have been overwhelmingly opposed by the public. Electronic gaming expansion threatens the future of tribal gaming – the economic engine of tribal governments, tribal communities and Minnesota’s rural economies.



*Here are examples of HHR machines, illustrating that these machines are not horse racing but a new version of slot machines.*

## Comparing HHRs and Class III slot machines

### Attributes of HHRs vs. slot machines

Attribute	No Difference	Difference
Random data determines outcome	<input checked="" type="checkbox"/>	
Game Play for Guests/Players (i.e. spin button, bonus games, music/animations)	<input checked="" type="checkbox"/>	
Manufacturers Who Produce Games	<input checked="" type="checkbox"/>	
Themes of the Games	<input checked="" type="checkbox"/>	
Ability to Set Payouts	<input checked="" type="checkbox"/>	
Marketing Materials	<input checked="" type="checkbox"/>	

### Vendor marketing materials example

HHRs	Class III Slots
	
	

Nearly identical games

HHR machine at Virginia track	Minnesota Tribal Casino
 <p>Game: <a href="https://rosiesgaming.com/game-gallery/">https://rosiesgaming.com/game-gallery/</a></p>	
HHR machine at Virginia track	Minnesota Tribal Casino
 <p>Game: <a href="https://rosiesgaming.com/game-gallery/">https://rosiesgaming.com/game-gallery/</a></p>	
HHR machine at Virginia track	Minnesota Tribal Casino
 <p>Game: <a href="https://rosiesgaming.com/vinton/">https://rosiesgaming.com/vinton/</a></p>	



Minnesota Department of Public Safety Alcohol and Gambling Enforcement letter – March 1, 2024

MINNESOTA DEPARTMENT OF PUBLIC SAFETY



**Alcohol and Gambling Enforcement**

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Safety

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Marshal

Office of Pipeline  
Safety



Minnesota Racing Commission  
15201 Zurich Street, #212  
Columbus, MN 55025

Dear Director Gustafson,

Our agency was asked to provide our view of the technical aspects related to On Track Advanced Deposit Wagering on Historical Horse Racing (HHR) machines. We have concluded the technical aspects of HHR match the elements of MN Stat. § 609.75, subd. 4, Gambling Device and subd. 8, Video of Games of Chance, making HHR a gambling device under MN law.

AGE looked at the play of the game, the physical aspects of the game, whether it accepted bets and offered the player a prize that is a payout. AGE reviewed the December 22, 2023 GLI letter to AmTote International, Inc. / PariMAX, LLC; multiple patents describing interactive gaming among a plurality of players and parimutuel historical gaming; patents owned by PariMAX, and its affiliates, BetMix and RaceTech LLC, which describe the method and apparatus for parimutuel historical gaming, the combination wager and user interface for parimutuel sports wagering devices; and the AmTote International, Inc. patent method for parimutuel wagering.

In considering the physical appearance of the machine as provided by BetMix, it presents itself as a multi-reel, multi-line video slot machine. This is a common form of gambling found within Minnesota and elsewhere. It is apparent the game designers made significant effort to engineer this design. There is an option that will allow the player to see the historic race being run, however this dramatically slows the rate of play.

In considering the play of the machine, AGE notes the HHR machine operates from a 'Seed Pool', and a 'Banked Seed Pool Reserve' which is utilized to pay out player winnings; the winnings are specific to the individual player and are not truly part of a pari-mutuel pool.

The HHR machine determines the initial offering of historical horseraces for the player to choose from a random number generator. The horseraces are not simulated and are selected by the machine from a predetermined list of race results. The player who understands handicapping may then make choices to impact their rate of return. However, this is not much different than a player of a video poker machine. The video poker machine determines the initial set of cards to be delivered to the player, then a player who understands poker strategy makes choices to impact their rate of return.

As always, new information may impact our determination. If you have any questions or concerns, please let me know.

Sincerely,

*Carla Cincotta, 3/1/2024*  
Carla Cincotta  
Director

<sup>1</sup> Bittenbender, Steve. "Judge Blocks Nebraska Track from Offering Historical Horse Racing." *Casino.org*, 5 Mar. 2020, [www.casino.org/news/judge-blocks-nebraska-track-from-offering-historical-horse-racing/](http://www.casino.org/news/judge-blocks-nebraska-track-from-offering-historical-horse-racing/).

<sup>2</sup> Dawson, James. "Appearances Matter for Idaho Historic Horse Racing Initiative." *Boise State Public Radio*, 5 Nov. 2018, [www.boisestatepublicradio.org/politics-government/2018-11-05/appearances-matter-for-idaho-historic-horse-racing-initiative](http://www.boisestatepublicradio.org/politics-government/2018-11-05/appearances-matter-for-idaho-historic-horse-racing-initiative).

<sup>3</sup> Rosenthal, Brian M. "Commission Votes to Repeal Historical Racing." *San Antonio Express-News*, [www.expressnews.com/news/local/article/Commission-votes-to-repeal-historical-racing-6840979.php](http://www.expressnews.com/news/local/article/Commission-votes-to-repeal-historical-racing-6840979.php).