NORTH DAKOTA RACING COMMISSION

www.ndracingcommission.com

Gunner laCour
Director

NORTH DAKOTA RACING COMMISSION
NDRC Meeting
State Capitol Building, Sakakawea Room
600 East Boulevard Avenue, Bismarck, ND
Thursday, November 17, 2016 – 10:30 a.m. (Central Time)

Minutes

Call to Order: Chairman Jim Ozbun called the meeting to order at 10:34 a.m.

Present: Chairman Jim Ozbun, Commissioner Mary Ann Durick, Commissioner David Piepkorn, Commissioner John Hanson, Legal Counsel Edward Erickson, Director Gunner laCour, and Administrative Assistant Gail Allensworth

By Phone: Commissioner Shane Martin

Others Present: Lisa Vig, Wayne Slater, Mike Schmitz, John Bubel, Avery Erfle, Leon Glasser, Leigh Backhaus, Levi Otis, Jay Alsop.

Chairman Ozbun asked for a motion to approve the agenda as presented.

A motion was made by Commissioner Hanson and seconded by Commissioner Durick to accept the agenda as presented. All Commissioners voted aye and hearing no negative vote the motion passed.

AGENDA

1. **Approval of Minutes – September 22 & October 31, 2016 Meetings**

2. **Lutheran Social Services (LSS)**

3. **License Renewals for 2017**

    a. **Service Providers**
        1. 123Gaming, Inc.
        2. B3 Development Group, LLC
        3. Bet Twice consulting, LLC

4. CW Technologies, LLC
5. eBet Technologies, Inc.
6. The Elite Turf Club, N.V.
7. Horse Races Now, LLC
8. I.B.N., LLC
9. Lien Games Racing, LLC
10. MegaTote, LLC
11. PariBet, LLC
12. Skyland Pacific, LLC
13. WatchandWager.com, LLC

b. **Totalizator Providers**
1. AmTote International, Inc.
2. Las Vegas Dissemination, Inc.
3. Sportech Racing, LLC
4. United Tote Company

c. **Site Operators**
1. American Gold Gymnastics
2. Development Homes, Inc.
3. Horse Race North Dakota
4. ND Quarter Horse Racing Association
5. ND Thoroughbred Association
6. Turtle Mountain Band of Chippewa

4. Live Race Date Requests for 2017

a. **Outdoor Recreation Development Association**
- Chippewa Downs – Belcourt

b. **Horse Race North Dakota**
- North Dakota Horse Park – Fargo

5. Promotion Fund Applications for 2017

a. Horsemen's Award Banquet
b. Repairs and Photo-Finish Equipment
c. All Other Requests to be Considered at Subsequent Meetings

6. Breeders Fund for 2017

7. Proposed Race Rules

8. Proposed Legislation

9. Scheduling 2017 Commission Meetings

10. Any other business which may properly come before the Commission

11. Adjournment

****

1. Approval of Minutes – September 22 & October 31, 2016 Meetings

Previously, all Commissioners had received a copy of the minutes to review.

A motion was made by Commissioner Piepkorn and seconded by Commissioner Hanson to accept the minutes of September 22 & October 31, 2016 as presented. All Commissioners voted aye and hearing no negative vote the motion passed.

2. Lutheran Social Services (LSS)

Director laCour introduced Lisa Vig from Lutheran Social Services and provided an update on how the grant that was issued to LSS in 2015 was utilized by them.

Lisa Vig from Lutheran Social Services expanded on how the funds from the grant were implemented for the Gamblers Choice program and provided the Commissioners with options of how grant funds could be spent in 2017 if they would choose to award another grant to LSS. Questions were asked by the Commissioners and were answered by Ms. Vig.

A motion was made by Chairman Ozbun and seconded by Commissioner Durick to approve a $12,000 Promotion Fund grant to be used for the following: 1) $3,000 to underwrite the cost for a speaker for their March conference, 2) $7,000 for the bus wrap in Minot, and 3) $2,000 to go towards the bus wrap in Bismarck. Ozbun –Y, Durick –Y, Hanson –Y, Martin –Y, and Piepkorn –Y. Motion passed.

3. License Renewals for 2017

a. **Service Providers**
   1. 123Gaming, Inc.
   2. B3 Development Group, LLC
   3. Bet Twice consulting, LLC
   4. CW Technologies, LLC
   5. eBet Technologies, Inc.
   6. The Elite Turf Club, N.V.
   7. Horse Races Now, LLC
   8. I.B.N., LLC
   9. Lien Games Racing, LLC
   10. MegaTote, LLC
   11. PariBet, LLC
   12. Skyland Pacific, LLC
   13. WatchandWager.com, LLC

b. **Totalizator Providers**
   1. AmTote International, Inc.
   2. Las Vegas Dissemination, Inc.
   3. Sportech Racing, LLC
   4. United Tote Company

c. **Site Operators**
   1. American Gold Gymnastics
   2. Development Homes, Inc.
   3. Horse Race North Dakota
   4. ND Quarter Horse Racing Association
   5. ND Thoroughbred Association
   6. Turtle Mountain Band of Chippewa

Director laCour provided the Commissioners a summary on all Service Provider/ADW applicants, Totalizator Provider applicants and Site Operator applicants and a recommendation for renewal of all of the licenses. Chairman Ozbun stated that the motion to renew would be made as a group.

A motion was made by Commissioner Martin and seconded by Commissioner Piepkorn to approve the renewal of the licenses of the Service Providers/ADWs, Totalizator Providers and Site Operators as a whole. Martin –Y, Piepkorn –Y, Ozbun –Y, Hanson –Y, and Durick -Y. Motion passed.

4. Live Race Date Requests for 2017

a. **Outdoor Recreation Development Association**
   - Chippewa Downs – Belcourt

b. **Horse Race North Dakota**
   - North Dakota Horse Park – Fargo

Director laCour stated that Chippewa Downs requested a total of 8 days (4 weekends) of racing in 2017 with the following dates: June 10/11, 17/18, 24/25, and July 1/3. Horse Race North Dakota requested a total of 8 days (3 weekends, including two Fridays) of racing in 2017 with the following dates: July 14/15/16, 22/23, and 28/29/30.

Director laCour recommended a total of 8 days (4 weekends – Saturday/Sunday) for Chippewa Downs: June 10/11, 17/18, 24/25, and July 1/3. He also recommended 6 days (3 weekends – Saturday/Sunday): July 15/16, 22/23, and 29/30 for the North Dakota Horse Park. Additional dates beyond the usual 6 days for Fargo will be considered at subsequent meetings once funding and cost projections are firmed up.

A motion was made by Chairman Ozbun and seconded by Commissioner Hanson to approve the race dates recommended by Director laCour for Chippewa Downs and the North Dakota Horse Park for 2017. Ozbun –Y, Hanson –Y, Piepkorn –Y, Martin –Y, and Durick –Y. Motion passed.

Director laCour asked to move to agenda item 6 as two of the Commissioners had to leave the meeting by noon.

6. Breeders Fund for 2017

Director laCour provided an update on the Breeders Fund including a meeting that he had with Horsemen's Advisory Committee in October. The Director made a recommendation to continue the $150,000 or more guaranteed minimum until 2020; provide $225,000 for in-state and $50,000 for out-of-state and to continue to exclude points available for out-of-state racing during the live race meets in North Dakota, starting from the first day of racing and ending the last. Out of state points will be available from January 1, 2017 through the end of October or December dependent upon the success of the Racing Commission proposed legislation discussed subsequently. The Bill presented to the Legislature will allow for payment for out-of-state racing to be paid out at the end of February which would allow out-of-state racing to go through the end of the calendar year.

A motion was made by Commissioner Martin and seconded by Commissioner Durick to accept Director laCour's recommendations for the Breeders Fund. Martin –Y, Durick –Y, Ozbun –Y, Piepkorn –Y, and Hanson –Y. Motion passed.

Director laCour asked to move to agenda item 8 as there was still a bit of time before the two Commissioners had to leave the meeting by noon.

Director laCour made a statement regarding the outlook of the Racing Commission and the upcoming Legislative Session. No motions needed.

8. Proposed Legislation

Director laCour stated that there will be one bill presented to the Legislature next session which Legal Counsel Edward Erickson drafted. It would add to one of our current statutes regarding the Breed Fund. The current statute states that Breed Fund payments must be made by the end of the calendar year which necessitates having an early cutoff date (October 31) for the out-of-state racing. The new rule would state that the Commission would have two months to distribute out-of-state checks (end of February) to allow out-of-state racing through the end of the year. The requirements for in-state will not change and checks would continue to be distributed by the end of the year, as required.

A motion was made by Chairman Ozbun and seconded by Commissioner Hanson to approve the new legislation to allow Edward Erickson to submit the proposal to the Legislature. Ozbun –Y, Hanson –Y, Durick –Y, Martin –Y, and Piepkorn –Y. Motion passed.

Commissioner Martin and Commissioner Piepkorn left the meeting.

5. Promotion Fund Applications for 2017

a. Horsemen's Award Banquet
b. Repairs and Photo-Finish Equipment
c. All Other Requests to be Considered at Subsequent Meetings

Director laCour stated that the ND Quarter Horse Racing Association submitted a Promotion Fund application for the annual Horsemen's Award banquet in the amount of $4,000. There has been poor attendance at the banquets in recent years and the

Director asked if this is the best way to spend the money. Questions were asked by the Commissioners and answered by the horsemen in attendance.

The recommendation was for Director laCour to work with Mike Schmitz with HRND and the horsemen's associations on a plan to set up something on the last Saturday evening of the North Dakota Horse Park meet for the horsemen.

A motion was made by Chairman Ozbun and seconded by Commissioner Durick to authorize Director laCour to give a $4,000 Promotion Fund grant to the NDQHRA and for the Director to work with the associations to set something up for the horsemen. Ozbun –Y, Durick –Y, and Hanson –Y. Motion passed.

Director laCour stated that he has been working with Mike Schmitz with HRND and Wayne Slater of ORDA to make sure all primary equipment (water truck, gates & conditioner) is repaired and operational for the race meets next year. They are working with Fair Circuit to make sure that everything is in working order and is just waiting on quotes from them.

The need for new photo finish equipment was also addressed. A quote was just received from Wayne in the amount of $4,000 for the camera and $500 for a new lens and calibration. It would be purchased by Fair Circuit in the form of a Promotion Fund grant in the amount of $4,500. It would also be maintained by them and provided to both tracks to use during the race meets. Director laCour recommended that it be subject to a memorandum of understanding and/or grant conditions that the equipment will be provided for the meets.

A motion was made by Chairman Ozbun and seconded by Commissioner Durick for Director laCour to provide $4,500 in the form of a Promotion Fund Grant to Fair Circuit to purchase the equipment and to work with Edward Erickson to develop a memo of understanding/grant conditions. Ozbun –Y, Durick –Y, and Hanson –Y. Motion passed.

Director laCour stated that some of the future grant issues to be addressed by the Racing Commission at the next meeting are: 1) the need for a fence to increase security at Chippewa Downs, 2) the berm removal at the ND Horse Park, 3) repair parts needed for the rail at Chippewa Downs, and 4) the timer lines and plugs at ND Horse Park.

No motions needed.

7. Proposed Race Rules

Director laCour stated that he is working on the draft rules for the "no race" issue which are based on the ARCI model rules. Director laCour asked for authorization to move forward to present to the Administrative Rules Committee.

A motion was made by Chairman Ozbun and seconded by Commissioner Hanson to give Director laCour authorization to move forward to present to the Administrative Rules Committee. Ozbun –Y, Hanson –Y, and Durick –Y. Motion passed.

9. Scheduling 2017 Commission Meetings

The next meetings for the Racing Commission will be held on February 23 and May 11.

10. Any other business which may properly come before the Commission

Director laCour provided an update on the Economic Impact Study. The process is going well and Director laCour will have something from NDSU before the Legislative session gets underway.

No motions needed.

11. Adjournment

Chairman Ozbun requested the meeting be adjourned.

A motion was made by Chairman Ozbun and seconded by Commissioner Durick. All Commissioners voted aye and hearing no negative vote the motion passed.

The meeting was adjourned at 12:40 p.m.