



NORTH DAKOTA RACING COMMISSION

www.ndracingcommission.com

Gunner laCour

Director

NORTH DAKOTA RACING COMMISSION

NDRC Meeting

Bismarck Veterans Memorial Public Library, Meeting Room A

515 North 5th Street, Bismarck, ND

Tuesday, May 9, 2017 – 10:30 a.m., Central Time

Minutes

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

Others Present: Doug DeMontigny, Joyce Morin, John Bubel, Mike Schmitz, John Ford, Kevin Hall, Brent Brooks, Janelle Mitzel, and Ron Klein

Call to Order: Chairman Durick called the meeting to order at 10:38 a.m.

Chairman Durick asked if there were any additions or corrections to the agenda. Director laCour asked to add a couple of items to the agenda. The first item to follow after the approval of minutes for Mike Schmitz and Commissioner Hanson to provide a report on the pari-mutuel tournaments from Kentucky Derby day. The next item was regarding repairs to equipment to follow item number four on the agenda. Then as part of any other business Director laCour would like to provide an update on the Administrative Rules Change about claiming rules. Chairman Durick asked for a motion to accept the agenda as amended.

A motion was made by Commissioner Martin and seconded by Commissioner Ozbun to accept the agenda with the changes requested by Director laCour. All Commissioners voted aye and hearing no negative vote the motion passed.

AGENDA - Amended

1. **Approval of Minutes – February 23, 2017 Meeting**
- 1a. **Commissioner Hanson/Mike Schmitz Report**
2. **2017 Legislative Session Report**
3. **ADW Industry Update**
4. **New Simulcast Site Application**
- 4a. **Repairs to Equipment**
5. **Horsemen Association Points System Proposal**

6. Steward Continuing Education
7. Bryan Slater Ruling Proposed Payment Plan
8. Any other business which may properly come before the Commission
9. Adjournment

1. Approval of Minutes – February 23, 2017 Meeting
Previously, all Commissioners had received a copy of the minutes to review.

A motion was made by Commissioner Ozburn and seconded by Commissioner Piepkorn to accept the minutes of February 23, 2017 as presented. All Commissioners voted aye and hearing no negative vote the motion passed.

1a. Commissioner Hanson/Mike Schmitz Report

Mike Schmitz provided a report on how the pari-mutuel tournaments for the Kentucky Derby fared. Commissioner Hanson provided a report on how the event went at the Belfield Theater.

No motions needed.

2. 2017 Legislative Session Report

Director laCour provided an update on how the 2017 Legislative Session went which had the Commission's only agency bill, directed at extending the deadline for Breed Fund awards distributions for out-of-state racing, passing easily through both houses and was signed by the Governor. The Racing Commission's budget was also passed with little difficulty.

Director laCour expressed his disappointment with the outcome of the historic horse racing bill. The product would have provided baseline revenue to the racing industry therefore relieving the Commission's single source reliance on ADW's. However, a number of charities fought this bill reportedly because it was not under the Attorney General's office and because there would only be a limited number of sites.

No motions needed.

3. ADW Industry Update

Director laCour reported that John Ford of BetAmerica, who had been working with Lien Games for several years, has reached an agreement with Twin Spires, which is a Churchill Downs subsidiary, to sell BetAmerica.com. Director laCour indicated how the sale would impact the revenue being put back into the General Fund and other special funds from the Racing Commission as well as how it would impact the available funding for improvements and new equipment. Director laCour recommended a moratorium on grants not directly funding the race meets for the next year.

Director laCour introduced John Ford of BetAmerica who gave a brief history of his association with the Racing Commission and Lien Games. Mr. Ford stated that in the future he would be working with his team and looking at new opportunities to broaden the appeal of horse racing in the United States and invest in new technology. Mr. Ford thanked the Commissioners for their support over the years as well as the future.

No motions needed.

4. New Simulcast Site Application

Director laCour reported that Kevin Hall with Lien Games and American Gold Gymnastics proposed a new site in Fargo at a bar called The Box. Mr. Hall gave a presentation on how the new site would be operating which would be aimed at reducing costs through new technology and expanding to more sites to be able to help more charities. The Commissioners asked questions which Mr. Hall answered.

A motion was made by Commissioner Ozbun and seconded by Commissioner Martin to approve the application to conduct simulcast wagering at The Box for Lien Games and American Gold Gymnastics. Ozbun –Y, Martin –Y, Durick –Y, Hanson –Y, and Piepkorn –Y. Motion passed.

4a. Repairs to Equipment

Director laCour provided a report to the Commissioners that showed the work that is needed to repair the equipment that is needed at the racetracks. Doug DeMontigny has been working with Turtle Mountain Metalworks to get the repairs completed which included the water truck, conditioners and the float. Due to budget concerns the Director asked that once the repairs are made to the equipment that the racetracks take into consideration in their budgets and provide basic repair and maintenance for this equipment to keep the Commission from having to make the more expensive repairs in the future. Director laCour asked for a motion to approve a Promotion Fund Grant in the amount of \$7,929.58 payable to ORDA.

A motion was made by Commissioner Martin and seconded by Commissioner Hanson to approve a Promotion Fund Grant in the amount of \$7,929.58 payable to ORDA for the repairs needed for the equipment at the racetracks. Martin –Y, Hanson –Y, Durick –Y, Ozbun –Y, and Piepkorn –Y. Motion passed.

5. Horsemen Association Points System Proposal

Director laCour reported that the ND Thoroughbred Association approached him with a proposal for a Commission grant of \$5,000 to support an association point system. Both associations indicated that they would commit \$2,500. The intent is to award their members points for starts in North Dakota regardless if they ran a ND-bred horse or not. Director laCour recommended that this be available for both associations and indicated that the rules may vary by association. In addition, the Director asked that this be a pilot program and that the associations come back to the Commission in a year with the results. This grant would be contingent on each association providing \$2,500 and that there would be a prohibition on awards for back-to-back racing as provided in the Breeders' Fund.

A motion was made by Commissioner Ozbun and seconded by Commissioner Martin to approve a Promotion Fund Grant for \$5,000 to the ND Thoroughbred Association and \$5,000 to the ND Quarter Horse Racing Association for a point system for their members contingent on the following conditions: that each association provide \$2,500, that each association report back on results to the Commission in a year and that there is a prohibition on awards for back-to-back racing as provided in the Breeders' Fund. Ozbun –Y, Martin –Y, Durick –Y, Piepkorn –Y, and Hanson –Y. Motion passed.

A motion was made by Commissioner Martin and seconded by Commissioner Ozbun to state that the Promotion Fund Grant be only for races run in North Dakota. Martin –Y, Ozbun –Y, Durick –Y, Piepkorn –Y, and Hanson –Y. Motion passed.

6. Steward Continuing Education

Director laCour reported that the State Steward, Tuck Miller, completed a Continuing Education class in Florida and asked to reimburse Mr. Miller for the cost of the class in the amount of \$243.64 from the Promotion Fund.

A motion was made by Commissioner Piepkorn and seconded by Chairman Durick to reimburse Tuck Miller for the cost of the Continuing Education class in the amount of \$243.64 from the Promotion Fund. Piepkorn –Y, Durick –Y, Ozbun –Y, Hanson –Y, and Martin –Y. Motion passed.

7. Bryan Slater Ruling Proposed Payment Plan

This item was taken off of the agenda as there was nobody present regarding this.

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

- Director laCour provided an update to the Administrative Rule change which pertains to claiming rules. He asked for final approval to send to the Attorney General's office and subsequently to send to the Administrative Rules Committee upon approval from the Attorney General's office.

A motion was made by Commissioner Ozbun and seconded by Commissioner Hanson to give Director laCour final approval to send the Administrative Rule Change to the Attorney General's office and subsequently to the Administrative Rules

Committee upon approval from the Attorney General's office. Ozbun – Y, Hanson –Y, Durick –Y, Piepkorn –Y, and Martin – Y. Motion passed.

- Director laCour presented Commissioner Ozbun with a plaque for his many years of service to the Racing Commission.

9. **Adjournment**

A motion was made by Commissioner Ozbun and seconded by Commissioner Martin to adjourn the meeting. All Commissioners voted aye and hearing no negative vote the motion passed.

Meeting was adjourned at 11:49 a.m.