

## **NORTH DAKOTA RACING COMMISSION**

**Live and Telephone Meeting  
Thursday, February 19, 2009  
4:30 p.m. (central time)  
500 North 9<sup>th</sup> Street, Bismarck, ND**

### **Call to Order:**

Chairman, Patrick Weir, called the meeting to order at 4:30 p.m. and asked the Director to take the roll.

**Present:** Chairman Patrick Weir by phone; Commissioners: DeAnn Pladson by phone; Winston Satran by phone; Tom Secrest and Clarence Frederick. Also present were Director of Racing, Randy Blaseg and Administrative Staff Officer Helen Tessmann. Legal Counsel Bill Peterson was absent.

**Others Present:** Devron Leingang, Scott Horst, Roger Thompson, Gail Hrdlicka, Heather Benson, Julie Sornsin-Cardwell, John Bubel, Rachelle Backhaus, Leigh Backhaus, Leon Glasser, Richard Nevins, Joe Cichy, and Lance Hagen.

## **AGENDA**

1. **Approval of Minutes – December 9 & 10, 2008 Meeting**
2. **Additional Purse Fund Request - \$39,950**
  - Outdoor Recreation Development Association
3. **Discussion of Horse Race ND 2009 Race Dates (Harness Meet)**
4. **Report of Status on 2009 Legislative Issues**
  - SB No. 2024 – Appropriation
  - SB No. 2043 – Racing Commission and the Authority of the Attorney General
  - HB No. 1316 – Transfer of return of Purse supplements to Breeders' Fund
  - HB No. 1551 – Taxes on Pari-Mutuel Wagering
5. **Breeders' Fund - \$ 2,409**
  - Thompson's Financial Services - bill for services - 2008 Breeders Awards.
6. **Promotion Fund**
  - Development of grant proposal for charities' purchase of BAM in a Box.
7. **Discussion on Transfer of Ownership Papers**
8. **ND Horsemen's Council Issues or Recommendations**
9. **Any other business which may PROPERLY come before the commission**
10. **Adjournment**

### 1. **Approval of Minutes – December 9 & 10, 2008 Meeting**

All commissioners had previously received a copy of the minutes for their review. **A motion was made** by Commissioner Pladson to approve the minutes of the December 9 & 10 meeting. Commissioner Frederick seconded the motion.

### 2. **Additional Purse Fund Request - \$39,950**

- Outdoor Recreation Development Association

**A motion was made** by Commissioner Secrest to grant an additional \$20,000 from the Purse Fund to Outdoor Recreation Development Association (ORDA). Commissioner Satran seconded the motion. Satran-Y, Weir-Y, Frederick-Y, Secrest-Y, Pladson-N. Motion carried.

**A motion was made** by Commissioner Secrest that the monies that have been awarded to both Horse Race ND (ND Horse Park) and ORDA, (at the December meeting), that those check be cut now so they know they have the money to run the meets. Commissioner Frederick seconded the motion. All commissioners voted aye and hearing no negative vote the motion carried.

**3. Discussion of Horse Race ND 2009 Race Dates (Harness Meet)**

ND Horse Park General Manager Heather Benson reported at this time a date for the Harness Meet has not been finalized. Part of the conflict is scheduling around the Manitoba and Minnesota race dates. As soon as she has a final date for the Harness Meet she will contact the Racing Commission office.

Commissioner Secrest reported that he would be leaving the meeting shortly and also reported that Heather Benson will be replacing Les Schmidt on the ND Horsemen's Council and asked if agenda item #8 could be moved ahead in the agenda order. Chairman Weir granted moving agenda item # 8.

**8. ND Horsemen's Council Issues or Recommendations**

**A motion was made** by Commissioner Secrest to appoint Heather Benson to the ND Horsemen's Council replacing Les Schmidt. Commissioner Pladson seconded the motion.

Scott Horst asked the question is this council a horsemen's council or is it a track managers' council? It was explained that a track representative from each track is appointed to this council. Heather commented that she does breed Thoroughbred horses and owns a horse that will be in training in South Dakota.

All commissioners voted aye and hearing no negative vote the motion carried.

*Commissioner Secrest left at 5:15 p.m.*

**4. Report of Status on 2009 Legislative Issues**

- SB No. 2024 – Appropriation
- SB No. 2043 – Racing Commission and the Authority of the Attorney General
- HB No. 1316 – Transfer of return of Purse supplements to Breeders' Fund
- HB No. 1551 – Taxes on Pari-Mutuel Wagering

Director Blaseg reported that SB No. 2024 has passed and has been moved to the House for consideration.

SB No. 2043 came out of committee with a do not pass recommendation and failed to pass the Senate.

HB No. 1316 passed the House and will now move to the Senate. An amendment has now been added to this bill placing the Racing Commission under the authority of the Attorney General. Chairman Weir offered to discuss with the Attorney General HB No. 1316.

HB No. 1551 passed out of the House and will now move to the Senate. If HB No. 1551 does pass, discussion was held regarding getting the word out to companies that would be interested in setting up account wagering in North Dakota. Chairman Weir encouraged everyone to promote the passing of this bill.

Lance Hagen, Heather Benson and Julie Sornsin-Cardwell all spoke on the subject of the breakage monies which is now going into the Promotion Fund. It was suggested it be looked at whether the breakage money should be split among the Promotion, Purse and Breeders Funds. It was also suggested that this subject matter go before the ND Horsemen's Council for their recommendation.

Commissioner Satran suggested if an amendment is written and added to HB No. 1551 regarding the breakage monies that the amendment first be forwarded to the Racing Commission for review.

Director Blaseg explained that the monies in the Promotion Fund currently are used for operation costs for the Belcourt and Fargo track meets. Without the Promotion Fund money to put on a race meet, there will be serious problems.

**5. Breeders' Fund - \$ 2,409**

- Thompson's Financial Services - bill for services - 2008 Breeders Awards.

Director Blaseg explained the process for payment of these services which included confirmation from the State Auditor's office. Commissioner Pladson asked how long a period does it take for Roger Thompson to prepare this work. Roger explained it takes about a week's work at about 10 hours a day for 8 days.

**A motion was made** from Commissioner Frederick to approve payment of \$ 2,409 from the Breeders' Fund to Thompson's Financial Services for services rendered in preparation of the 2008 Breeders' Awards. Commissioner Satran seconded the motion. All commissioners voted aye and hearing no negative vote the motion carried.

**6. Promotion Fund**

- Development of grant proposal for charities' purchase of BAM in a Box.

Commissioner Satran addressed this subject. It is estimated that the machine "BAM in a Box" will cost about \$5,000. Due to it being difficult for the charities to come up with \$5,000, Commissioner Satran suggested writing a grant proposal for charities to complete and when the Promotion Fund becomes healthy help the charities purchase the machines. Heather Benson also spoke on this subject. She also suggested a change in rules to allow all charities to have the option to be both Service Provider and Simulcast Site for walk-up off track betting. Chairman Weir asked Heather to outline and put her thoughts on this issue on paper and present it to either the Racing Commission or to the Horsemen's Council.

**7. Discussion on Transfer of Ownership Papers**

Commissioner Pladson suggested that the Transfer of Ownership papers be allowed and recognized at the tracks. Her concern was to have qualified persons at the track to be able to take care of this so that no mistakes are made. Chairman Weir and Commissioner Pladson suggested Director Blaseg be responsible for handling this new policy.

**A motion was made** by Commissioner Pladson to allow a new policy of accepting the Transfer of Ownership papers at the race tracks by qualified persons designated by the Director of Racing. Commissioner Frederick seconded the motion.

Commissioner Pladson made an amendment to her motion to include that the Director of Racing develops a written policy to be followed when there is a transfer of ownership at the track. Commissioner Frederick accepted the amendment to his second. All commissioners voted aye and hearing no negative vote the motion carried.

Chairman Weir spoke on the subject of registering a horse as a one time registration. Commissioner Pladson offered to check the rules and regulations on this subject.

*Commissioner Pladson left the meeting at 6:00 p.m.*

**9. Any other business which may PROPERLY come before the commission**

Scott Horst asked for two items to be placed on the next meeting's agenda.

- The age requirement for a race horse.
- Breeders' Fund monies being awarded to Thoroughbreds, Quarter Horses and Trotters. Scott reported 80-90 percent of the North Dakota funds received are from Thoroughbred

betting. He reported that last year 2/3 of the awards went towards to Quarter Horses and recommended more dollars being awarded to the other breeds.

Commissioner Satran asked Scott to give the Director a couple plans that the commission could review before the next meeting. Commissioner Satran asked Director Blaseg to poll a couple states for information as to what the other states in the surrounding area are doing regarding Breeders' awards. Leon Glasser asked that this item be placed before the Horsemen's Council for their recommendation.

**10. Adjournment**

Commissioner Satran made the motion to adjourn. Commissioner Frederick seconded the motion. All commissioners voted aye and hearing no negative vote the motion carried. The meeting was adjourned at 6:09 p.m.