

NORTH DAKOTA RACING COMMISSION
State Capitol Building, Peace Garden Room
600 East Boulevard Avenue, Bismarck ND
Thursday, February 17, 2022 – 10:30 a.m., Central Time

Minutes

Call to Order: Chairman Hanson called the meeting to order at 10:31 a.m.

Present: Chairman John Hanson, Commissioner Tim Kreidt, Commissioner Richard LaFromboise, Commissioner Tracy Hanson, Legal Counsel Carl Karpinski, Executive Director Jack Schulz, Administrative Officer Gail Allensworth, Safety Steward/Investigator Brian Burkett, and Breed Fund Administrator Tammy Holm

Not Present: Commissioner Jessica Benson

Others Present: LaRoy Kingsley, Scott Horst, Leon Glasser, Leigh Backhaus, Doug DeMontigny, Joyce DeMontigny, Hugh Drexler, Jamie Herman, John Bubel, Janelle Mitzel, Jay Alsop, and LJ Harsche

Chairman Hanson asked if there were any additions or corrections to the agenda. Exec. Director Schulz asked to add two items: a presentation on a study of horse racing in North Dakota by KK Bold whenever they can get to the meeting and to introduce the new General Manager of the ND Horse Park, Hugh Drexler.

Chairman Hanson called for a voice vote regarding the amended agenda. All Commissioners voted aye and hearing no negative vote the agenda was amended.

AGENDA

1. **Approval of Minutes – November 9, 2021 Meeting**
2. **Legislative Update**
 - a. Strategic Planning with the Governor’s Office
 - b. 2023 Legislative Session Ideas
 - c. Administrative Rules
3. **Financial Updates**
 - a. Promotion Fund
 - b. Purse Fund
 - c. Breeders Fund
 - d. General Fund
4. **Promotion & Purse Fund Requests**
 - a. Conditions for Promotion & Purse Funding Requests
 - b. ORDA (Chippewa Downs)
 - c. HRND (ND Horse Park)

- d. North Dakota Thoroughbred Association
- e. North Dakota Quarter Horse Racing Association
- f. Jockey Incentives
- g. Horsemen's Banquet

5. **Breeders Fund Report**

- a. In-State Awards
- b. Out-of-State Awards
- c. Grandfathered Horses in the Breeders Fund

6. **Pete Davis Request Report from Legal Counsel Carl Karpinski**

7. **2022 State Forms, Occupational and Employee License Approval and Denials**

- a. State Forms Approval
- b. Occupational License Approvals/Denials
- c. Suspended and Do Not license Lists

8. **ORDA** - Indian Race Relays and Pari-mutuel Wagering

9. **Hall of Fame**

- a. Committee Formation
- b. First Meeting Date
- c. Funding

10. **Next Meeting Dates and Locations**

- a. May meeting in Belcourt - to coincide with race meet or ROAP Training
- b. July or September meeting in Fargo - to coincide with horsemen's banquet or September 15
- c. November 17 meeting in Bismarck

11. **Any other business which may properly come before the Commission**

12. **Adjournment**

1. **Approval of Minutes – November 9, 2021 Meeting**

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

A motion was made by Commissioner Hanson and seconded by Commissioner Kreidt to accept the minutes of November 9, 2021, as presented. All Commissioners voted aye and hearing no negative vote, the motion passed.

Exec. Director Schulz introduced LaRoy Kingsley, President of KK Bold. Mr. Kingsley presented on a proposal for a study of horse racing in North Dakota. The Commissioners asked questions which Mr. Kingsley answered.

A motion was made by Commissioner LaFromboise and seconded by Commissioner Hanson to request a survey to be presented to the Commission. LaFromboise – Y, T. Hanson – Y, J. Hanson – Y, and Kreidt – Y. Motion passed.

2. **Legislative Update**

- a. Strategic Planning with the Governor's Office
- b. 2023 Legislative Session Ideas
- c. Administrative Rules

Exec. Director Schulz provided an update on the strategic planning meeting with the Governor's office and the Judiciary Committee. An update on the status of the Administrative Rules was also provided to the Commission.

No motions needed.

3. Financial Updates

- a. Promotion Fund
- b. Purse Fund
- c. Breeders Fund
- d. General Fund

Exec. Director Schulz provided updates on all the Commission funds.

No motions needed.

4. Promotion & Purse Fund Requests

- a. Conditions for Promotion & Purse Funding Requests
- b. ORDA (Chippewa Downs)
- c. HRND (ND Horse Park)
- d. North Dakota Thoroughbred Association
- e. North Dakota Quarter Horse Racing Association
- f. Jockey Incentives
- g. Horsemen's Banquet

Promotion Fund Requests

- b. ORDA (Chippewa Downs)

Exec. Director Schulz stated that ORDA requested \$300,000 from the Promotion Fund for four weekends of racing at Chippewa Downs for 2022. His recommendation was to pay \$35,000 per day for 6 days for a total of \$210,000.

A motion was made by Commissioner LaFromboise and seconded by Commissioner Hanson to approve \$210,000 from the Promotion Fund to ORDA to allow for four weekends of racing at Chippewa Downs in 2022 if it's feasible, versus three weekends. LaFromboise – Y, T. Hanson – Y, J. Hanson – Y, and Kreidt – Y. Motion passed.

- c. HRND (ND Horse Park)

Exec. Director Schulz stated that HRND requested \$200,000 from the Promotion Fund for four weekends of racing at the North Dakota Horse Park for 2022. His recommendation was to pay \$35,000 per day for 6 days for a total of \$210,000.

A motion was made by Commissioner Hanson and seconded by Commissioner Kreidt to approve \$210,000 from the Promotion Fund to HRND for 8 days of racing at the North Dakota Horse Park in 2022 if it's feasible, versus three weekends. T. Hanson – Y, Kreidt – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

- e. North Dakota Quarter Horse Racing Association
- g. Horsemen's Banquet

Exec. Director Schulz stated that the ND Quarter Horse Racing Association requested \$2,500 from the Promotion Fund for the Horsemen's Banquet and \$3,000 from the Promotion Fund for the Stallion Auction. He recommended providing \$2,500 from the Promotion Fund to the NDQHRA for the Horsemen's Banquet and \$3,000 for the Stallion Auction.

A motion was made by Commissioner LaFromboise and seconded by Commissioner Kreidt to approve \$2,500 from the Promotion Fund to the ND Quarter Horse Racing Association for the Horsemen's Banquet and \$3,000 from the Promotion Fund for the Stallion Auction. LaFromboise – Y, Kreidt – Y, J. Hanson – Y, and T. Hanson – Y. Motion passed.

- d. North Dakota Thoroughbred Association

Exec. Director Schulz stated that the ND Thoroughbred Association requested \$3,000 from the Promotion Fund for their Stallion Auction. He recommended providing \$3,000 from the Promotion Fund for the Stallion Auction.

A motion was made by Commissioner Hanson and seconded by Commissioner Kreidt to approve \$3,000 from the Promotion Fund to the ND Thoroughbred Association for their Stallion Auction. T. Hanson – Y, Kreidt – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

f. Jockey Incentives

Exec. Director Schulz stated that he is recommending a jockey incentive for 2022 which would be \$12,000 from the Promotion Fund per track for a total of \$24,000 to be paid as \$25 per ride, per jockey, to include a bonus if they ride 24 races.

A motion was made by Commissioner Hanson and seconded by Commissioner Kreidt to approve \$12,000 from the Promotion Fund for the jockey incentives at both racetracks. The combined total for both racetracks is \$24,000. The jockeys will be paid \$25 per ride, per jockey, to include a bonus if they ride 24 races. T. Hanson – Y, Kreidt – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

Purse Fund Requests

Exec. Director Schulz presented all Purse Fund requests and asked that all requests require one motion.

Requests received were from: ORDA asked for \$288,000; HRND asked for \$200,000; NDTA asked for \$50,000; NDQHRA asked for \$50,000. Director Schulz recommended ORDA - \$108,000; HRND - \$108,000; NDTA & NDQHRA - \$50,000 each. Director Schulz stated that both associations will match dollar for dollar minimum and will be required to run at least one race each day at each racetrack with a \$4,000 bottom.

A motion was made by Commissioner Hanson and seconded by Commissioner LaFromboise to award \$108,000 from the Purse Fund to ORDA and \$108,000 to HRND; \$50,000 from the Purse Fund to NDTA and \$50,000 to the NDQHRA. The associations will match dollar for dollar minimum and will be required to run at least one race each day at each racetrack with a \$4,000 bottom. T. Hanson – Y, LaFromboise – Y, J. Hanson – Y, and Kreidt – Y. Motion passed.

5. Breeders Fund Report

- a. In-State Awards
- b. Out-of-State Awards
- c. Grandfathered Horses in the Breeders Fund

Exec. Director Schulz stated that all In-State and Out-of-State Breed Fund awards for 2021 have been paid. During the State audit they found that the expenses of the Breeders Fund were at 5.47% and Administrative Rules states it is not to exceed 5%. Exec. Director Schulz stated that this is being addressed in the next update of the Administrative Rules.

Exec. Director Schulz asked the Commissioners to grandfather into the Breeders Fund all horses whose registration papers are already stamped into the fund on or before February 17, 2022.

A motion was made by Commissioner Hanson and seconded by Commissioner LaFromboise to grandfather into the Breeders Fund all horses whose registration papers that have already been stamped into the fund on or before February 17, 2022. T. Hanson – Y, LaFromboise – Y, J. Hanson – Y, and Kreidt – Y. Motion passed.

6. Pete Davis Request Report from Legal Counsel Carl Karpinski

Legal Counsel Carl Karpinski stated that he had reviewed all paperwork and documentation regarding the Pete Davis request and found that no action needs to be taken.

No motions needed.

7. 2022 State Forms, Occupational and Employee License Approval and Denials

- a. State Forms Approval
 - b. Occupational License Approvals/Denials
 - c. Suspended and Do Not license Lists
- a. State Forms Approval

Exec. Director Schulz provided an update on the changes to the 2022 State forms. He asked for approval for the changes to the forms.

A motion was made by Commissioner Kreidt and seconded by Commissioner Hanson to approve all form changes. Kreidt – Y, T. Hanson – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

b. Occupational License Approvals/Denials

Exec. Director Schulz asked for approval for all occupational licenses for 2022.

A motion was made by Commissioner Hanson and seconded by Commissioner Kreidt to approve all occupational licenses for 2022. T. Hanson – Y, Kreidt – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

c. Suspended and Do Not license Lists

Exec. Director Schulz explained the lists that are used by the licensing staff at the racetracks.

No motions needed.

8. **ORDA** - Indian Race Relays and Pari-mutuel Wagering – this topic put on hold

9. **Hall of Fame**

- a. Committee Formation
- b. First Meeting Date
- c. Funding

Chairman Hanson updated the other Commissioners regarding establishing a Racing Hall of Fame in North Dakota. Chairman Hanson asked the Commissioners if there was any interest in establishing a Hall of Fame Committee.

A motion was made by Commissioner Hanson and seconded by Commissioner Kreidt to work on establishing a Racing Hall of Fame Committee. T. Hanson – Y, Kreidt – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

A motion was made by Commissioner Hanson and seconded by Commissioner Kreidt to place Commissioner LaFromboise to head up the Hall of Fame Committee. All voted aye and hearing no negative vote the motion passed.

10. **Next Meeting Dates and Locations**

- a. May 12 meeting in Belcourt - to coincide with ROAP Training on May 13 & 14
- b. July meeting in Fargo - to coincide with the race meet and the horsemen's banquet
- c. November 17 meeting in Bismarck

No motions needed.

11. **Any other business which may properly come before the Commission**

- Exec. Director Schulz introduced Hugh Drexler who is the new General Manager for the North Dakota Horse Park. Mr. Drexler provided a brief history to the Commissioners.
- Exec. Director Schulz explained that the fee for the ROAP training is \$6,000. He asked for approval for funding from the Promotion Fund, up to \$6,000, for the ROAP training to ORDA.

A motion was made by Commissioner Hanson and seconded by Commissioner Kreidt to approve funding from the Promotion Fund, up to \$6,000, for the ROAP training to ORDA. T. Hanson – Y, Kreidt – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

12. **Adjournment**

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

Meeting was adjourned at 1:46 p.m.