



**NORTH DAKOTA RACING COMMISSION**  
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**NORTH DAKOTA RACING COMMISSION**  
**NDRC Meeting**  
**Quality Inn, Meeting Room F**  
**1030 East Interstate Avenue, Bismarck, ND**  
**Thursday, February 21, 2019 – 10:30 a.m. (Central Time)**

**Minutes**

**Present:** Chairman Mary Ann Durick, Commissioner Shane Martin, Commissioner John Hanson, Legal Counsel Allyson Hicks, Director Jack Schulz, and Administrative Officer Gail Allensworth

**By Phone:** Commissioner Tim Kreidt and Commissioner Dave Piepkorn

**Others Present:** Doug DeMontigny, Joyce DeMontigny, John Bubel, Gunner laCour, Ben Kenney, David Bernsen, Mike Schmitz, Leon Glasser, Avery Erfle, Lisa Vig, Don Santer and Kevin Gefroh

**Call to Order:** Chairman Durick called the meeting to order at 10:30 a.m.

**AGENDA**

1. **Approval of Minutes – November 29, 2018 Meeting**
2. **Promotion & Purse Fund Requests**
  - a. Conditions for Promotion & Purse Funding Applicable to Tracks
  - b. ORDA (Chippewa Downs)
  - c. HRND (ND Horse Park)
  - d. Jockey Incentives
  - e. Horsemen's Associations (ND Thoroughbred Association & ND Quarter Horse Racing Association)
  - f. Other Promotion Requests
    - 1) Horsemen's Banquet
    - 2) Licensing Staff
    - 3) Association of Racing Commissioners International (ARCI) Dues
    - 4) Lutheran Social Services (LSS)
3. **2019 Race Season Director Authorizations**
4. **Breed Fund**
  - a. Out-of-State Award Error

- b. 2018 Statistics
- c. Invitation for Bid – Breed Fund Registry Administration
- 5. **2019 Legislation**
  - a. Budget
  - b. Historic Horse Racing
- 6. **Promotion Fund**
  - a. Improving and Upgrading Racetracks
  - b. Promotion of Live Racing and Simulcast
  - c. Development of New Tracks
- 7. **New Site Operator – License Application** – ND Association for the Disabled, Inc.
- 8. **Discussion of Upcoming Appointment**
- 9. **Date of Next Meeting**
- 10. **Any other business which may properly come before the Commission**
- 11. **Adjournment**

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1. **Approval of Minutes – November 29, 2018 Meeting**

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

**A motion was made** by Commissioner Hanson and seconded by Chairman Durick to accept the minutes of November 29, 2018 as presented. All Commissioners voted aye and hearing no negative vote the motion passed.

2. **Promotion & Purse Fund Requests**

Director Schulz asked to delay all Purse Fund requests until after the Senate vote on HB 1443 – Historic Horse Racing.

**A motion was made** by Commissioner Martin and seconded by Chairman Durick to delay all Purse Fund requests until after the Senate vote on HB 1443 – Historic Horse Racing. Martin -Y, Durick -Y, Hanson -Y, Kreidt -Y, and Piepkorn -Y. Motion passed.

b. ORDA (Chippewa Downs)

Director Schulz reported that the Commission received a Promotion Fund request from ORDA for Chippewa Downs in the amount of \$250,000 for the 2019 race season. Director Schulz requested that the Commission approve the funding for ORDA in the amount of \$200,000 from the Promotion Fund.

**A motion was made** by Commissioner Piepkorn and seconded by Commissioner Hanson to approve the funding for ORDA in the amount of \$200,000 from the Promotion Fund. Piepkorn -Y, Hanson -Y, Durick -Y, Martin -Y, and Kreidt. Motion passed.

c. HRND (ND Horse Park)

Director Schulz reported that the Commission received a Promotion Fund request from the Horse Race ND in the amount of \$225,000 for the 2019 race season. Director Schulz requested that the Commission approve the funding for HRND in the amounts of \$200,000 from the Promotion Fund.

**A motion was made** by Commissioner Hanson and seconded by Commissioner Martin to approve the funding for HRND in the amount of \$200,000 from the Promotion Fund. Hanson -Y, Martin -Y, Durick -Y, Kreidt -Y, and Piepkorn -Y. Motion passed.

e. Horsemen's Associations (ND Thoroughbred Association & ND Quarter Horse Racing Association)

Director Schulz reported that the Commission received Promotion Fund requests from the ND Quarter Horse Racing Association and the ND Thoroughbred Association. Director Schulz recommended awarding \$7,500 to each Association.

**A motion was made** by Commissioner Martin and seconded by Chairman Durick to award funding \$7,500 from the Promotion Fund to the NDTA. Martin -Y, Durick -Y, Hanson -Y, Kreidt -Y, and Piepkorn -Y. Motion passed.

**A motion was made** by Commissioner Martin and seconded by Chairman Durick to award funding \$7,500 from the Promotion Fund to the NDQHRA. Martin -Y, Durick -Y, Piepkorn -Y, Kreidt -Y, and Hanson -Y. Motion passed.

d. Jockey Incentives

Director Schulz asked to increase the amount from the previous year and recommended that \$10,000 from the Promotion Fund be provided to ORDA and HRND to support the jockey incentives at the racetracks.

Doug DeMontigny from ORDA asked for the Commissioners to please support the recommendation to increase the amount for the jockey incentives.

**A motion was made** by Commissioner Martin and seconded by Commissioner Hanson to approve \$10,000 from the Promotion Fund to both ORDA and HRND to support the jockey incentives at the racetracks. Martin -Y, Hanson -Y, Durick -Y, Piepkorn -Y, and Kreidt -Y. Motion passed.

f. Other Promotion Requests

1) Horsemen's Banquet

Director Schulz stated that there was a Promotion Fund request of \$3,500 from the ND Quarter Horse Racing Association to fund the Horsemen's Banquet. Director Schulz recommended awarding \$3,500 from the Promotion Fund to host the Horsemen's Banquet.

**A motion was made** by Commissioner Hanson and seconded by Chairman Durick to approve funding from the Promotion Fund in the amount of \$3,500 to the ND Quarter Horse Racing Association to fund the Horsemen's Banquet. Hanson -Y, Durick -Y, Martin -Y, Piepkorn -Y, and Kreidt -Y. Motion passed.

2) Association of Racing Commissioners International (ARCI) Dues

Director Schulz asked for authorization to pay the dues in the amount of \$8,500 to the Association of Racing Commissioners International (ARCI) from the Promotion Fund.

**A motion was made** by Commissioner Martin and seconded by Commissioner Hanson to authorize Director Schulz to pay the dues in the amount of \$8,500 to ARCI from the Promotion Fund. Martin -Y, Hanson -Y, Durick -Y, Piepkorn -Y, and Kreidt -Y. Motion passed.

3) Lutheran Social Services (LSS)

Director Schulz asked for authorization to award a Promotion Fund Grant in the amount of \$6,000 to Lutheran Social Services for their Gamblers Choice program to be utilized in their e-learning curriculum called Gambler Healing.

Lisa Vig from Lutheran Social Services provided an update on how the funds from last year were used by the Gamblers Choice Program.

**A motion was made** by Chairman Durick and seconded by Commissioner Martin to award a Promotion Fund Grant to Lutheran Social Services in the amount of \$6,000 for their Gamblers Choice Program. Durick -Y, Martin -Y, Hanson -Y, Kreidt -Y, and Piepkorn -Y. Motion passed.

a. Conditions for Promotion Funding Applicable to Tracks

Director Schulz gave the current totals in the Breeders, Promotion and Purse Funds. He asked the Commissioners that any Promotion Fund requests that are awarded to the racetracks have the same conditions as last year which include withholding 10% of the funds until the Racing Commission receives copies of expenses for the meet from the racetracks.



**A motion was made** by Commissioner Martin and seconded by Chairman Durick to include the additional conditions from last year to the Promotion Fund requests for 2019 which withholds 10% of the funds until the Racing Commission receives copies of expenses for the meet from the racetracks. Martin -Y, Durick -Y, Piepkorn -Y, and Kreidt -Y. Commissioner Hanson - no vote. Motion passed.

### **3. 2019 Race Season Director Authorizations**

Director Schulz asked for authorization to:

- hire the State Veterinarian, State Stewards, Compliance Investigator and licensing staff;
- use Industrial Labs for testing services as the main lab;
- use the labs listed on the RMTTC provided list for split sample testing services;
- approve Tote, Photo finish and Official's contracts;
- require the tracks to submit electrical and fire safety reports, and proof of insurance;
- require that a bond or letter of credit be provided for pari-mutuel wagering;
- approve the condition books, ND-bred program and first race time;
- approve the starting gate, timing device, and claim box;
- require the inclusion of Jockey and Driver Safety Rules in the condition books.

**A motion was made** by Commissioner Martin and seconded by Chairman Durick to approve Director Schulz to move ahead with all authorizations for the 2019 race season including paying the licensing staff from the Promotion Fund. Martin -Y, Durick -Y, Hanson -Y, Kreidt -Y, and Piepkorn -Y. Motion passed.

### **4. Breed Fund**

#### **a. Out-of-State Award Error**

Director Schulz informed the Commissioners about an error that was made in calculating the out-of-state awards which affected two individuals due to a dead heat. Director Schulz asked for approval to pay the additional \$1,666.66 out of the Breed Fund to correct this error.

**A motion was made** by Commissioner Martin and seconded by Chairman Durick to authorize Director Schulz to pay two individuals a total of \$1,666.66 to correct the out-of-state breed fund error. Martin -Y, Durick -Y, Hanson -Y, Kreidt -Y, and Piepkorn -Y. Motion passed.

#### **b. 2018 Statistics**

Director Schulz provided the statistics on the Breed Fund registrations for 2018.

No motions needed.

#### **c. Invitation for Bid – Breed Fund Registry Administration**

Director Schulz informed the Commissioners that the Breed Fund Registry Administrator position was out for bid and closes on February 26. No other information available until after the bid is closed.

No motions needed.

### **5. 2019 Legislation**

#### **a. Budget**

Director Schulz provided an update on HB 1023 which is the Racing Commission budget bill. The bill passed in the House and crossed over to the Senate. No further updates, currently.

#### **b. Historic Horse Racing**

Director Schulz provided an update on HB 1443 which is the Historic Horse Racing bill. The bill passed in the House and crossed over to the Senate. No further updates, currently. Director Schulz asked for a message of support for this bill.

**A motion was made** by Commissioner Martin and seconded by Commissioner Hanson for the ND Racing Commission to support HB 1443. Martin -Y, Hanson -Y, Durick -Y, Kreidt -Y, and Piepkorn -Y. Motion passed.

Kevin Gefroh, a horseman in the State, asked why the Breed Fund awards were less for 2018. Gunner laCour, the former Racing Commission Director was present and provided an explanation.

No motions needed.

**6. Promotion Fund**

- a. Improving and Upgrading Racetracks
- b. Promotion of Live Racing and Simulcast
- c. Development of New Tracks

Director Schulz stated that the three bullets listed above are part of the rules of the Racing Commission and would like to see that they are addressed on a yearly basis.

No motions needed.

**7. New Site Operator – License Application – ND Association for the Disabled, Inc.**

Director Schulz introduced Don Santer, CEO of the ND Association for the Disabled, Inc. Mr. Santer gave a brief history of the ND Association of the Disabled. The Commissioners asked questions which Mr. Santer answered. Director Schulz recommended approval of the Site Operator license for the ND Association for the Disabled, Inc.

A motion was made by Commissioner Martin and seconded by Chairman Durick to approve the Site Operator license for the ND Association for the Disabled, Inc. Martin – Y, Durick – Y, Hanson – Y, Kreidt – Y, and Piepkorn – Y. Motion passed.

**8. Discussion of Upcoming Appointment**

Director Schulz indicated the Chairman Durick's term with the Racing Commission is up as of June 30, 2019 and that the Governor would need to appoint another Commissioner.

No motions needed.

**9. Date of Next Meeting**

Director Schulz indicated that he would like to have another Racing Commission meeting after the resolution of HB 1443 is settled.

Legal Counsel Allyson Hicks advised the Commissioners to set quarterly meeting dates for the rest of the year. The dates can be changed, if needed, but there needs to be a regular meeting schedule established and posted on the Secretary of State's website.

The tentative date for the second quarter meeting is May 16. The tentative date for the third quarter meeting is August 22 and the tentative date for the fourth quarter meeting is November 21.

Legal Counsel Allyson Hicks advised that special meetings can be called but only the items that are listed on the agenda can be discussed at a special meeting.

No motions needed.

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

Doug DeMontigny of ORDA stated that new changes in technology in racing need to be addressed in the future as the racetracks seem to be falling behind. Mr. DeMontigny provided examples of how the statute of the Racing Commission will need to be updated because of the new changes in technology.

No motions needed.

**11. Adjournment**

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

Meeting was adjourned at 11:56 a.m.