

NORTH DAKOTA RACING COMMISSION
NDRC Meeting
State Capitol Building, Fort Union Room
600 East Boulevard Avenue, Bismarck, ND
Thursday, March 5, 2020 – 10:30 a.m. (Central Time)

Minutes

Present: Chairman Dave Piepkorn, Commissioner Tim Kreidt, Commissioner Shane Martin, Legal Counsel Paul Emerson, Director Jack Schulz, and Administrative Officer Gail Allensworth

By Phone: Commissioner Linda Bata, Commissioner John Hanson

Others Present: Doug DeMontigny, Joyce DeMontigny, Lisa Vig, John Bubel, Scott Horst, Mark Bjerke, Leon Glasser, Janelle Mitzel, and Mike Schmitz

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

AGENDA

1. **Approval of Minutes – November 21, 2019 Meeting**
2. **Rillito Park/University of Arizona Visit**
3. **Interim Judiciary Committee Presentation**
4. **Governors 2020 Strategy Review**
5. **Promotion & Purse Fund Requests**
 - a. Conditions for Promotion & Purse Funding Requests
 - 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) Intern Staffing
 - 3) Association of Racing Commissioners International (ARCI) Dues
 - 4) Lutheran Social Services (LSS)

6. **Breed Fund**
 - a. Fund Financial Report
 - b. Operations and Use Report
 - c. Moving Forward Legislation & Administrative Rule Changes
7. **2020 Race Season Director Authorizations**
8. **Open Races**
 - a. Paints and Arabians
9. **Promotion Fund and Growing Horse Racing in North Dakota**
 - a. Current Operations
 - Chippewa Downs
 - ND Horse Park
 - b. New Locations & revitalizing closed tracks, County Fairs, Indian Horse Relays
 - c. Marketing for new Licensees
10. **NDRC Office Relocation**
11. **Next Meeting Date**
12. **Any other business which may properly come before the Commission**
13. **Adjournment**

1. **Approval of Minutes – November 21, 2019 Meeting**

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

A motion was made by Commissioner Martin and seconded by Commissioner Kreidt to accept the minutes of November 21, 2019, as presented. Commissioner Hanson was not present. All Commissioners voted aye and hearing no negative vote the motion passed.

2. **Rillito Park/University of Arizona Visit**

Director Schulz described his experience visiting with Rillito Park staff and University of Arizona students that work at the racetrack.

No motions needed.

Commissioner Hanson joined the meeting by phone.

3. **Interim Judiciary Committee Presentation**

Director Schulz provided a summary of his meeting with the Interim Judiciary Committee.

No motions needed.

4. **Governors 2020 Strategy Review**

Director Schulz provided a summary of his Governors 2020 Strategy Review meeting.

No motions needed.

5. **Promotion & Purse Fund Requests**

- a. Conditions for Promotion & Purse Funding Requests

Director Schulz outlined the conditions, including some changes, for the Promotion and Purse Fund requests for 2020.

No motions needed.

b. ORDA (Chippewa Downs)

Director Schulz recommended that the Promotion Fund be distributed by the number of race days that are held at the racetrack in the amount of \$22,500 per day. As ORDA was previously awarded 10 race days, the amount funded would be \$225,000. If the number of race days declines, the per day allotment would have to be returned to the Racing Commission.

A motion was made by Commissioner Bata and seconded by Commissioner Hanson to award \$225,000 from the Promotion Fund to ORDA. Bata – Y, Hanson – Y, Piepkorn – Y, Kreidt – Y, and Martin – Y. Motion passed.

c. HRND (ND Horse Park)

Director Schulz recommended that the Promotion Fund be distributed by the number of race days that are held at the racetrack in the amount of \$22,500 per day. As HRND was previously awarded 8 race days, the amount funded would be \$180,000. If the race days declines, the per day allotment would have to be returned to the Racing Commission. Additionally, Director Schulz asked that the funds be placed on hold until CHRIMS performs an audit on the reports submitted to the Racing Commission from HRND for last year's race meet.

A motion was made by Commissioner Bata and seconded by Commissioner Hanson to award \$180,000 from the Promotion Fund to HRND dependent on the outcome of the audit to be completed by CHRIMS. Bata – Y, Hanson – Y, Piepkorn – Y, Martin – Y, and Kreidt – Y. Motion passed.

A motion was made by Commissioner Bata and seconded by Commissioner Kreidt to approve funding for the audit by CHRIMS from the Promotion Fund and not to exceed \$10,000. Bata – Y, Kreidt – Y, Piepkorn – Y, Martin – Y, and Hanson – Y. Motion passed.

A motion was made by Commissioner Bata and seconded by Commissioner Martin to approve the conditions for funding from the Promotion and Purse Funds. Bata – Y, Martin – Y, Piepkorn – Y, Kreidt – Y, and Hanson – Y. Motion passed.

Director Schulz recommended that the funding from the Purse Fund for both racetracks be funded at \$1,750 per race based on 8 races per day. As ORDA was previously awarded 10 race days, the amount funded would be \$140,000. As HRND was previously awarded 8 race days, the amount funded would be \$112,000. If the number of races or race days declines, the amount awarded would be less. In addition, the award must be used for purses only and there must be a match from the racetrack in the amount of \$250 per race.

A motion was made by Commissioner Martin and seconded by Commissioner Kreidt to award ORDA and HRND \$1,750 per race day based on 8 races per day from the Purse Fund. ORDA is to receive \$140,000 and HRND is to receive \$112,000 from the Purse Fund to be used only for purses and there must be a match from the racetrack in the amount of \$250 per race. Martin – Y, Kreidt – Y, Piepkorn – Y, Bata – Y, and Hanson – Y. Motion passed.

d. Jockey Incentives

Director Schulz recommended that the funding from the Promotion Fund for the Jockey Incentives be a base of \$5,000 plus \$500 per race day. As ORDA was previously awarded 10 race days that would be an additional \$5,000 for a total of \$10,000. As HRND was previously awarded 8 race days that would be an additional \$4,000 for a total of \$9,000. If the number of race days changes the total would be adjusted accordingly.

A motion was made by Commissioner Hanson and seconded by Commissioner Kreidt to award \$10,000 from the Promotion Fund to ORDA for the Jockey Incentive and \$9,000 from the Promotion Fund to HRND for the Jockey Incentive. Hanson – Y, Kreidt – Y, Piepkorn – Y, Martin – Y, and Bata – Y. Motion passed.

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

Director Schulz recommended not to approve any Promotion or Purse Fund requests from the Associations this year to make more funds available to the racetracks.

A motion was made by Commissioner Martin and seconded by Commissioner Hanson to table the Promotion and Purse Fund requests from the Associations at this time. Martin – Y, Hanson – Y, Piepkorn – Y, Bata – Y, and Kreidt – Y. Motion passed.

- f. Other Promotion Requests
1) Horsemen's Banquet

Director Schulz recommended that the Horsemen's Banquet not be funded from the Promotion Fund this year.

A motion was made by Commissioner Kreidt and seconded by Commissioner Martin to not fund the Horsemen's Banquet from the Promotion Fund for 2020. Kreidt – Y, Martin – Y, Piepkorn – Y, Bata – Y, and Hanson – Y. Motion passed.

- 2) Intern Staffing

Director Schulz stated that the Racing Commission has been approved for the State Internship program. Director Schulz emphasized how the internships would be utilized at the Commission office and at the racetracks. The State will fund at 50% and Director Schulz asked for funding from the Promotion Fund for the other 50%, which would be about \$7,500.

A motion was made by Commissioner Bata and seconded by Commissioner Hanson to approve funding from the Promotion Fund for the internship program in the amount of \$7,500. Bata – Y, Hanson – Y, Piepkorn – Y, Kreidt – Y, and Martin – Y. Motion passed.

- 3) Association of Racing Commissioners International (ARCI) Dues

Director Schulz asked for approval to pay the dues for ARCI from the Promotion Fund in the amount of \$8,500.

A motion was made by Commissioner Martin and seconded by Commissioner Kreidt to approve paying the ARCI dues from the Promotion Fund in the amount of \$8,500. Martin – Y, Kreidt – Y, Piepkorn – Y, Bata – Y, and Hanson – Y. Motion passed.

- 4) Lutheran Social Services (LSS)

Director Schulz recommended that we provide funding to Lutheran Social Services from the Promotion Fund in the amount of \$6,000.

A motion was made by Commissioner Bata and seconded by Commissioner Martin to approve funding to Lutheran Social Services from the Promotion Fund in the amount of \$6,000. Bata – Y, Martin – Y, Piepkorn – Y, Kreidt – Y, and Hanson – Y. Motion passed.

6. **Breed Fund**

- a. Fund Financial Report
- b. Operations and Use Report
- c. Moving Forward Legislation & Administrative Rule Changes

Director Schulz provided an update on the Breed Fund regarding financials, registrations, and proposed legislation and administrative rule changes.

No motions needed.

Short Recess

7. **2020 Race Season Director Authorizations**

Director Schulz asked for authorization to:

- hire the State Veterinarian, State Stewards, Compliance Investigator and interns;
- 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.

Director Schulz asked that the Commission approve all as a group instead of individually.

A motion was made by Commissioner Kreidt and seconded by Commissioner Martin to approve Director Schulz to move ahead with all authorizations for the 2020 race season. Kreidt –Y, Martin –Y, Piepkorn – Y, and Bata -Y. Commissioner Hanson no longer on the phone call. Motion passed.

8. Open Races

- a. Paints and Arabians

Director Schulz stated that a horseman contacted the Racing Commission regarding there not being any races at the ND Horse Park for his paint horse in 2019. There was discussion between the Commissioners and the horsemen present.

No motions needed.

9. Promotion Fund and Growing Horse Racing in North Dakota

- a. Current Operations
- Chippewa Downs
 - ND Horse Park
- b. New Locations & revitalizing closed tracks, County Fairs, Indian Horse Relays
- c. Marketing for new Licensees

Director Schulz provided an update on the status of the Promotion Fund and racing in North Dakota.

No motions needed.

10. NDRC Office Relocation

Director Schulz provided an update on a possible new office space.

No motions needed.

11. Next Meeting Date

The next meeting is scheduled for April 30.

No motions needed.

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

- Doug DeMontigny brought up the subject of virtual tattoos for the horses and who has the capability of doing this.
- Director Schulz asked how the tribal licensing was progressing.

No motions needed.

13. Adjournment

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

Meeting was adjourned at 12:24 p.m.