

NORTH DAKOTA RACING COMMISSION
State Capitol Building, Fort Totten Room
600 East Boulevard Avenue, Bismarck, ND
Thursday, November 9, 2021 – 10:30 a.m., Central Time

Minutes

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

Not Present: Commissioner Tim Kreidt

Others Present: Leon Glasser, Doug DeMontigny, Joyce DeMontigny, John Bubel, Scott Horst, Janelle Mitzel, and Leigh Backhaus

Others by Phone: Jay Alsop

Call to Order: Chairman Hanson called the meeting to order at 10:35 a.m.

AGENDA

1. **Approval of Minutes – September 16 & October 12, 2021 Meetings**
2. **Funds Update**
3. **Live Race Meet Report**
4. **Reduced Licensing Fees for 2022**
5. **License Renewals for 2022**
 - a. **Service Providers/ADWs**
 1. 123 Gaming, Inc.
 2. Colossusbets, Ltd.
 3. eBet Technologies, Inc.
 4. The Elite Turf Club, N.V.
 5. Hartlane LLC
 6. Horse Racing Labs, LLC
 7. Lien Games Racing, LLC
 8. MegaTote, LLC
 9. PariBet, LLC
 10. PlayUp Interactive ND Inc.
 11. Racebook Inc.
 12. Skyland Pacific, LLC
 13. StableDuel, LLC
 14. WatchandWager.com, LLC

b. **Totalizator Providers**

1. AmTote International, Inc.
2. The Global Tote Limited
3. Global Tote US, LLC (formerly Sportech Racing, LLC)
4. I-Neda Ltd.
5. Las Vegas Dissemination Company, Inc.
6. Sky Racing World, LLC
7. United Tote Company

c. **Site Operators**

1. Development Homes, Inc.
2. Horse Race North Dakota
3. ND Quarter Horse Racing Association
4. ND Thoroughbred Association
5. Turtle Mountain Band of Chippewa (Sky Dancer Casino)

6. **2022 Live Race Date Requests**

1. Outdoor Recreation Development Association
 - Chippewa Downs – Belcourt, ND
2. Horse Race North Dakota
 - North Dakota Horse Park – Fargo, ND

7. **Breeders Fund for 2022**

8. **2022 Executive Director Authorizations**

9. **Pete Davis Request from June 3, 2021 Meeting**

10. **Presentation on 2023 Legislative Bills for Consideration - Leigh Backhaus**

11. **HRND General Manager Search Update – Jay Alsop**

12. **2022 Internship Program**

13. **2021 Racing Symposium**

14. **Horse Racing Opportunities/Growth & Potential Committee Assignments**

15. **Scheduling 2022 Commission Meetings**

- a. Dates
- b. Locations
- c. Social/Banquet

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

17. **Adjournment**

1. **Approval of Minutes – September 16 & October 12, 2021 Meetings**

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

A motion was made by Commissioner LaFromboise and seconded by Commissioner Hanson to amend the minutes of September 16, 2021. LaFromboise – Y, T. Hanson – Y, J. Hanson – Y, and Benson – Y. Motion passed.

A motion was made by Commissioner Hanson and seconded by Commissioner Benson to accept the minutes as amended. T. Hanson – Y, Benson – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

2. Funds Update

Director Schulz provided an update to the Commissioners on all the Racing Commission funds.

No motions needed.

3. Live Race Meet Report

Director Schulz highlighted the positives and negatives of the 2021 race meets to the Commissioners.

No motions needed.

4. Reduced Licensing Fees for 2022

Director Schulz recommended having a reduced licensing fee schedule for 2022 for racetrack occupation licenses.

A motion was made by Commissioner Hanson and seconded by Commissioner Benson to approve the reduced licensing fee schedule as recommended by Director Schulz for 2022 for racetrack occupation licenses. T. Hanson – Y, Benson – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

5. License Renewals for 2022

a. **Service Providers/ADWs**

1. 123 Gaming, Inc.
2. Colossusbets, Ltd.
3. eBet Technologies, Inc.
4. The Elite Turf Club, N.V.
5. Hartlane LLC
6. Horse Racing Labs, LLC
7. Lien Games Racing, LLC
8. MegaTote, LLC
9. PariBet, LLC
10. PlayUp Interactive ND Inc.
11. Racebook Inc.
12. Skyland Pacific, LLC
13. StableDuel, LLC
14. WatchandWager.com, LLC

Director Schulz provided backgrounds on all the Service Providers/ADWs and recommended relicensing all of them.

A motion was made by Commissioner Hanson and seconded by Commissioner Benson to approve all Service Providers/ADWs for renewal in 2022. T. Hanson – Y, Benson – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

b. **Totalizator Providers**

1. AmTote International, Inc.
2. The Global Tote Limited
3. Global Tote US, LLC (formerly Sportech Racing, LLC)
4. I-Neda Ltd.
5. Las Vegas Dissemination Company, Inc.
6. Sky Racing World, LLC
7. United Tote Company

Director Schulz provided backgrounds on all the Tote Providers and recommended relicensing all of them.

A motion was made by Commissioner LaFromboise and seconded by Commissioner Hanson to approve all Tote Providers for renewal in 2022. LaFromboise – Y, T. Hanson – Y, J. Hanson – Y, and Benson – Y. Motion passed.

c. **Site Operators**

1. Development Homes, Inc.
2. Horse Race North Dakota
3. ND Quarter Horse Racing Association
4. ND Thoroughbred Association
5. Turtle Mountain Band of Chippewa (Sky Dancer Casino)

Director Schulz provided backgrounds on all the Site Operators and recommended relicensing all of them.

A motion was made by Commissioner Hanson and seconded by Commissioner LaFromboise to approve all Site Operators for renewal in 2022. T. Hanson – Y, LaFromboise – Y, J. Hanson – Y, and Benson – Y. Motion passed.

6. **2022 Live Race Date Requests**

1. Outdoor Recreation Development Association (ORDA)
 - Chippewa Downs – Belcourt, ND

Director Schulz recommended approving 12 days of racing for ORDA between May 27 through July 4 and allow ORDA to decide the dates to run.

A motion was made by Commissioner LaFromboise and seconded by Commissioner Hanson to approve the dates as recommended by Director Schulz for ORDA. LaFromboise – Y, T. Hanson – Y, J. Hanson – Y, and Benson – Y. Motion passed.

2. Horse Race North Dakota (HRND)
 - North Dakota Horse Park – Fargo, ND

Director Schulz recommended approving 10 days of racing for HRND between July 8 through August 7 and allow HRND to decide the dates to run.

A motion was made by Commissioner Hanson and seconded by Commissioner Benson to approve the dates as recommended by Director Schulz for HRND. T. Hanson – Y, Benson – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

7. **Breeders Fund for 2022**

Director Schulz stated that after meeting with the Horsemen's Advisory Group, he recommends the following:

- In-State Racing
 - \$250,000 available to provide breeders awards for 2022 for in-state racing;
 - There must be a minimum of a 6-horse field unless there is a late Veterinarian scratch;
 - The in-state minimum guaranteed Breed Fund pool of \$150,000 extended an additional year through 2024.
- Out-of-State Racing
 - \$50,000 available from the ND Breed Fund to provide breeders awards for ND-breds racing in out-of-state races. The following rules apply:
 - Points will be awarded January 1 through May 27 and August 10 through December 31, 2022;
 - No out-of-state points will be awarded for races held May 27 through August 7, 2022;
 - Distributions shall be in accordance with current in-state rules;
 - It is the responsibility of the foal/mare/stallion owner to provide the Commission with out-of-state race results;
 - Only official race results from Equibase, Daily Racing Form, or Trueform Racing Services will be accepted and must be mailed to the ND Racing Commission Office;
 - All results must be postmarked no later than January 3, 2023.

- Double and Triple Points
 - Historically the Racing Commission has offered double breed fund points to those races worth \$10,000 or more and triple breed fund points to those races worth \$25,000 or more. This will be the same for 2022.
- Eligibility for "Back-to-Back" Racing
 - Any horse that is eligible for breed fund points in a race may not again be eligible to receive points for a period of four (4) days from that race. For example, horses racing Saturday would not again be eligible until Thursday. This is an equine welfare rule implemented by the Commission to dis-incentivize "back-to-back" racing. This rule is applicable to in-state and out-of-state racing for all breeds.
- Standardbreds
 - Due to the lack of racing opportunities in North Dakota, Standardbreds have been awarded the following eligible in-state dates for 2022: May 28 through August 9 at Running Aces in Minnesota.

A motion was made by Commissioner LaFromboise and seconded by Commissioner Hanson to accept the recommendation from Director Schulz for the Breeders Fund for 2022. LaFromboise – Y, T. Hanson – Y, J. Hanson – Y, and Benson – Y. Motion passed.

8. 2022 Executive Director Authorizations

Director Schulz asked for authorizations to approve Promotion Fund expenditures and licensing approvals for the 2022 calendar year including but not limited to the following:

- All NDRC live race meet staff including the State Veterinarian, State Steward, Industrial Laboratories, and State Internships;
- All required track authorizations including condition books (**60 days in advance**) of the first race day, first race time, Tote, Photo Finish and Race Official contracts;
- All required inspections and testing of equipment, grounds, track, barns, and buildings;
- All required submissions and documents for live racing events.

A motion was made by Commissioner Hanson and seconded by Commissioner Benson to accept the recommendations from Director Schulz for the authorizations needed for the 2022 calendar year. T. Hanson – Y, Benson – Y, J. Hanson – Y, and LaFromboise – Y. Motion passed.

9. Pete Davis Request from June 3, 2021 Meeting

Director Schulz provided the background for the Pete Davis request. Legal Counsel Carl Karpinski stated that he will look into the request and will address his findings at the next meeting.

No motions needed.

10. Presentation on 2023 Legislative Bills for Consideration – Leigh Backhaus

Leigh Backhaus spoke to the Commissioners regarding proposed legislation for the 2023 Legislative session. The Commissioners asked questions which Mr. Backhaus answered.

A motion was made by Commissioner Benson and seconded by Commissioner LaFromboise to support developing a progressive legislative agenda before the next Legislative session. All Commissioners voted aye and hearing no negative vote, the motion passed.

11. HRND General Manager Search Update – Jay Alsop

Jay Alsop, President of HRND, provided an update on their General Manager search. The Commissioners asked questions, which Mr. Alsop answered.

No motions needed.

12. 2022 Internship Program

Director Schulz provided a summary of the 2021 Internships and stated that he would be offering the Internship program for the 2022 calendar year and hopes to hire three interns.

No motions needed.

13. 2021 Racing Symposium

Director Schulz stated that the Racing Symposium will be held December 6-8 in Tucson. Director Schulz and Safety Steward/Investigator Brian Burkett will be attending the Symposium as well as the ARCI annual meeting that is being held in Tucson on December 9 & 10.

No motions needed.

14. Horse Racing Opportunities/Growth & Potential Committee Assignments

Chairman Hanson provided ideas on growth potential for the Racing Commission. There was discussion between Director Schulz and the other Commissioners.

No motions needed.

15. Scheduling 2022 Commission Meetings

- a. Dates - February 17, May 19 or June 16, September 15 & November 17
- b. Locations – February 17 & November 17 meetings in Bismarck; May 19 (or June 16) & September 15 meeting locations to be decided.
- c. Social/Banquet

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

17. Adjournment

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

Meeting was adjourned at 1:08 p.m.