



NORTH DAKOTA RACING COMMISSION
NDRC Meeting
State Capitol Building, Peace Garden Room
600 East Boulevard Avenue, Bismarck, ND
Thursday, November 21, 2019 – 10:30 a.m. (Central Time)

Minutes

Present: Commissioner John Hanson, Commissioner Shane Martin, Commissioner Linda Bata, Legal Counsel Paul Emerson, Director Jack Schulz, and Administrative Officer Gail Allensworth

By Phone: Chairman Dave Piepkorn

Not Present: Commissioner Timothy Kreidt

Others Present: Leon Glasser, Scott Horst, Gordy Wilke, Doug DeMontigny, John Bubel, Jay Alsop, Mike Schmitz, and Doug Plummer

Call to Order: Chairman Piepkorn called the meeting to order at 10:40 a.m.

AGENDA

1. **Approval of Minutes – August 29, 2019 Meeting**
2. **NDRC Office Relocation**
3. **New License Procedure including Reduced Licensing Fees for 2020**
4. **New Service Provider & Account Deposit Wagering Application** – PlayUp Interactive Inc.
5. **License Renewals for 2020**
 - a. **Service Providers/ADWs**
 1. 123 Gaming, Inc.
 2. Colossusbets, Ltd.
 3. eBet Technologies, Inc.
 4. The Elite Turf Club, N.V.
 5. Horse Racing Labs, LLC

6. I.B.N., LLC
7. Lien Games Racing, LLC
8. MegaTote, LLC
9. PariBet, LLC
10. Racebook Inc.
11. Skyland Pacific, LLC
12. WatchandWager.com, LLC

b. **Totalizator Providers**

1. AmTote International, Inc.
2. The Global Tote Limited
3. I-Neda Ltd.
4. Las Vegas Dissemination Company, Inc.
5. Sportech Racing, LLC
6. United Tote Company

c. **Site Operators**

1. American Gold Gymnastics Inc.
2. Development Homes, Inc.
3. Horse Race North Dakota
4. ND Quarter Horse Racing Association
5. ND Thoroughbred Association
6. Turtle Mountain Band of Chippewa

6. **2020 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 2020**

8. **Internship Program Update**

9. **Racing Symposium**

10. **Marketing Strategy Update**

11. **Scott Horst Request for Protest/Reimbursement**

12. **Scheduling 2020 Commission Meetings**

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

14. **Adjournment**

1. **Approval of Minutes – August 29, 2019 Meeting**

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

A motion was made by Commissioner Bata and seconded by Commissioner Martin to accept the minutes of August 29, 2019 as presented. All Commissioners voted aye and hearing no negative vote the motion passed.

Chairman Piepkorn asked if there were any additions or corrections to the agenda. Director Schulz asked to add two items. The first under item four on the agenda. It is for a new Totalizator Provider license for Sky Racing World. Chairman Piepkorn asked for a motion to accept the agenda as amended.

A motion was made by Commissioner Hanson and seconded by Commissioner Bata to accept the agenda with the change requested by Director Schulz. All Commissioners voted aye and hearing no negative vote the motion passed.

Director Schulz asked for another addition. It is to add an item under three for electronic id's and electronic paperwork acceptance. Chairman Piepkorn asked for a motion to accept the agenda as amended.

A motion was made by Commissioner Bata and seconded by Commissioner Hanson to accept the agenda with the change requested by Director Schulz. All Commissioners voted aye and hearing no negative vote the motion passed.

2. NDRC Office Relocation

Director Schulz provided the Commissioners with an update regarding the relocation of the ND Racing Commission office.

No motions needed.

3. New License Procedure including Reduced Licensing Fees for 2020

Director Schulz described the request that he received from the Turtle Mountain Tribal Gaming Commission (TMGC) in conjunction with the National Indian Gaming Commission (NIGC) regarding licensing at Chippewa Downs. They want the Turtle Mountain Tribal Gaming Commission to become part of the licensing process at the racetrack. Director Schulz made a recommendation of \$75 for a key license for pari-mutuel positions such as Track Managers, Racing Secretary, Horsemen's Bookkeeper, Pari-mutuel Manager and staff and others deemed key positions by the TMGC.

A motion was made by Commissioner Martin and seconded by Commissioner Bata to authorize \$75 for a key license at Chippewa Downs. Martin – Y, Bata – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

Director Schulz asked for a reduced fee licensing schedule for the 2020 race meets as the Racing Commission has offered in the past. This would exclude the key licensees.

A motion was made by Commissioner Bata and seconded by Commissioner Martin to authorize a reduced fee licensing schedule for the 2020 race meets except for the key licensee positions. Bata – Y, Martin – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

Director Schulz asked for the Racing Commission to be able to accept electronic paperwork and microchip as the current Administrative Rules does not provide for this new technology.

A motion was made by Commissioner Hanson and seconded by Commissioner Bata to accept electronic paperwork and microchip to enter a horse in a race at the racetrack in addition to the current method of entering a horse with a lip tattoo and paperwork. Hanson – Y, Bata – Y, Piepkorn – Y, and Martin – Y. Motion passed.

4. New Service Provider & Account Deposit Wagering Application – PlayUp Interactive Inc.

Director Schulz stated that the application for PlayUp Interactive was approved at the May 16, 2019 meeting but their background check still has not been completed. Director Schulz asked that their 2019 application be amended to include 2020 and not make them provide a new application.

A motion was made by Commissioner Hanson and seconded by Commissioner Martin to amend PlayUp Interactive's 2019 application to include 2020. Hanson – Y, Martin – Y, Piepkorn – Y, and Bata – Y. Motion passed.

New Totalizator Provider Application – Sky Racing World

Director Schulz provided information on the Totalizator Provider application from Sky Racing World. Director Schulz made a recommendation to license Sky Racing World pending approval from the Attorney General's office.

A motion was made by Commissioner Martin and seconded by Commissioner Bata to license Sky Racing World pending approval from the Attorney General's office. Martin – Y, Bata – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

Director Schulz asked Legal Counsel Paul Emerson for clarification on how to handle each renewal application: individually or as a group. Legal Counsel Paul Emerson recommended that is best to handle each individually.

5. **License Renewals for 2020**
a. **Service Providers/ADWs**
1. 123 Gaming, Inc.

Director Schulz made a recommendation to renew the license for 123Gaming.

A motion was made by Commissioner Hanson and seconded by Commissioner Martin to renew the license for 123Gaming for 2020. Hanson – Y, Martin – Y, Piepkorn – Y, and Bata – Y. Motion passed.

2. Colossusbets, Ltd.

Director Schulz made a recommendation to renew the license for Colossusbets.

A motion was made by Commissioner Hanson and seconded by Commissioner Martin to renew the license for Colossusbets for 2020. Hanson – Y, Martin – Y, Piepkorn – Y, and Bata – Y. Motion passed.

3. eBet Technologies, Inc.

Director Schulz made a recommendation to renew the license for eBet Technologies.

A motion was made by Commissioner Hanson and seconded by Commissioner Martin to renew the license for eBet Technologies for 2020. Hanson – Y, Martin – Y, Piepkorn – Y, and Bata – Y. Motion passed.

4. The Elite Turf Club, N.V.

Director Schulz made a recommendation to renew the license for the Elite Turf Club.

A motion was made by Commissioner Martin and seconded by Commissioner Bata to renew the license for the Elite Turf Club for 2020. Martin – Y, Bata – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

5. Horse Racing Labs, LLC

Director Schulz made a recommendation to renew the license for the Horse Racing Labs.

A motion was made by Commissioner Bata and seconded by Commissioner Hanson to renew the license for Horse Racing Labs for 2020. Bata – Y, Hanson – Y, Piepkorn – Y, and Martin – Y. Motion passed.

6. I.B.N., LLC

Director Schulz made a recommendation to renew the license for the I.B.N.

There was some discussion among the Commissioners, and it was decided to table until more information was received from HRND.

7. Lien Games Racing, LLC

Director Schulz made a recommendation to renew the license for Lien Games Racing.

A motion was made by Commissioner Bata and seconded by Commissioner Hanson to renew the license for Lien Games Racing for 2020. Bata – Y, Hanson – Y, Piepkorn – Y, and Martin – Y. Motion passed.

8. MegaTote, LLC

Director Schulz made a recommendation to renew the license for MegaTote.

A motion was made by Commissioner Hanson and seconded by Commissioner Martin to renew the license for MegaTote for 2020. Hanson – Y, Martin – Y, Piepkorn – Y, and Bata – Y. Motion passed.

9. PariBet, LLC

Director Schulz made a recommendation to renew the license for PariBet.

A motion was made by Commissioner Martin and seconded by Commissioner Bata to renew the license for PariBet for 2020. Martin – Y, Bata – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

10. Racebook Inc.

Director Schulz made a recommendation to renew the license for Racebook.

A motion was made by Commissioner Hanson and seconded by Commissioner Bata to renew the license for Racebook for 2020. Hanson – Y, Bata – Y, Piepkorn – Y, and Martin – Y. Motion passed.

11. Skyland Pacific, LLC

Director Schulz made a recommendation to renew the license for Skyland Pacific.

A motion was made by Commissioner Martin and seconded by Commissioner Bata to renew the license for Skyland Pacific for 2020. Martin – Y, Bata – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

12. WatchandWager.com, LLC

Director Schulz made a recommendation to renew the license for WatchandWager.com.

A motion was made by Commissioner Bata and seconded by Commissioner Martin to renew the license for WatchandWager.com for 2020. Bata – Y, Martin – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

b. **Totalizator Providers**

1. AmTote International, Inc.

Director Schulz made a recommendation to renew the license for AmTote International.

A motion was made by Commissioner Hanson and seconded by Commissioner Bata to renew the license for AmTote International for 2020. Hanson – Y, Bata – Y, Piepkorn – Y, and Martin – Y. Motion passed.

2. The Global Tote Limited

Director Schulz made a recommendation to renew the license for the Global Tote.

A motion was made by Commissioner Bata and seconded by Commissioner Hanson to renew the license for the Global Tote for 2020. Bata – Y, Hanson – Y, Piepkorn – Y, and Martin – Y. Motion passed.

3. I-Neda Ltd.

Director Schulz made a recommendation to renew the license for I-Neda.

A motion was made by Commissioner Martin and seconded by Commissioner Hanson to renew the license for I-Neda for 2020. Martin – Y, Hanson – Y, Piepkorn – Y, and Bata – Y. Motion passed.

4. Las Vegas Dissemination Company, Inc.

Director Schulz made a recommendation to renew the license for Las Vegas Dissemination Company.

A motion was made by Commissioner Bata and seconded by Commissioner Hanson to renew the license for Las Vegas Dissemination Company for 2020. Bata – Y, Hanson – Y, Piepkorn – Y, and Martin – Y. Motion passed.

5. Sportech Racing, LLC

Director Schulz made a recommendation to renew the license for Sportech Racing.

A motion was made by Commissioner Hanson and seconded by Commissioner Bata to renew the license for Sportech Racing for 2020. Hanson – Y, Bata – Y, Piepkorn – Y, and Martin – Y. Motion passed.

6. United Tote Company

Director Schulz made a recommendation to renew the license for United Tote Company.

A motion was made by Commissioner Bata and seconded by Commissioner Hanson to renew the license for United Tote Company for 2020. Bata – Y, Hanson – Y, Piepkorn – Y, and Martin – Y. Motion passed.

c. **Site Operators**

1. American Gold Gymnastics Inc.

Director Schulz made a recommendation to renew the license for American Gold Gymnastics.

A motion was made by Commissioner Bata and seconded by Commissioner Martin to renew the license for American Gold Gymnastics for 2020. Bata – Y, Martin – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

2. Development Homes, Inc.

Director Schulz made a recommendation to renew the license for Development Homes.

A motion was made by Commissioner Bata and seconded by Commissioner Hanson to renew the license for Development Homes for 2020. Bata – Y, Hanson – Y, Piepkorn – Y, and Martin – Y. Motion passed.

3. Horse Race North Dakota

Director Schulz made a recommendation to renew the license for Horse Race North Dakota.

A motion was made by Commissioner Martin and seconded by Commissioner Bata to renew the license for Horse Race North Dakota for 2020. Martin – Y, Bata – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

4. ND Quarter Horse Racing Association

Director Schulz made a recommendation to renew the license for ND Quarter Horse Racing Association.

A motion was made by Commissioner Hanson and seconded by Commissioner Bata to renew the license for ND Quarter Horse Racing Association for 2020. Hanson – Y, Bata – Y, Piepkorn – Y, and Martin – Y. Motion passed.

5. ND Thoroughbred Association

Director Schulz made a recommendation to renew the license for ND Thoroughbred Association.

A motion was made by Commissioner Bata and seconded by Commissioner Martin to renew the license for ND Thoroughbred Association for 2020. Bata – Y, Martin – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

6. Turtle Mountain Band of Chippewa

Director Schulz made a recommendation to renew the license for Turtle Mountain Band of Chippewa.

A motion was made by Commissioner Martin and seconded by Commissioner Bata to renew the license for Turtle Mountain Band of Chippewa for 2020. Martin – Y, Bata – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

6. 2020 Live Race Date Requests

Director Schulz stated that Outdoor Recreation Development Association (ORDA) requested 10 days (5 weekends) of racing for 2020 with the following dates: June 6 & 7, June 13 & 14, June 20 & 21, June 27 & 28, and July 4 & 5. Director Schulz recommended that they authorize 10 days of racing from June 5 through July 6.

A motion was made by Commissioner Hanson and seconded by Commissioner Martin to authorize 10 days within the timeframe of June 6 through July 5. Hanson – Y, Martin – Y, Piepkorn – Y, and Bata – Y. Motion passed.

Director Schulz stated that Horse Race North Dakota requested 8 days (4 weekends) of racing for 2020 with the following dates: July 11 & 12, July 18 & 19, July 25 & 26, and August 1 & 2. Director Schulz recommended that they authorize 8 days of racing from July 10 through August 3.

A motion was made by Commissioner Hanson and seconded by Commissioner Martin to authorize 8 days within the timeframe of July 10 through August 3. Hanson – Y, Martin – Y, Piepkorn – Y, and Bata – Y. Motion passed.

7. Breeders Fund for 2020

Director Schulz stated that the Breed Fund program implemented over the last few years has been successful and recommends the following:

- In-State Racing
 - \$225,000 available to provide breeders awards for 2020 in-state racing;
 - The in-state minimum guaranteed Breed Fund pool of \$150,000 extended an additional year through 2023.
- 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 June 5 and August 4 through December 31, 2020;
 - No out-of-state points will be awarded for races held June 6 through August 3, 2020;
 - 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 sent to the ND Racing Commission Office;
 - All results must be postmarked no later than January 2, 2021.

A motion was made by Commissioner Martin and seconded by Commissioner Hanson to award \$225,000 from the ND Breed Fund for in-state racing and \$50,000 for out-of-state racing in 2020. Martin – Y, Hanson – Y, Piepkorn – Y, and Bata – Y. Motion passed.

Agenda item 5a. Service Providers/ADWs which was previously tabled.

6. I.B.N., LLC

Director Schulz made a recommendation to renew the license for I.B.N.

A motion was made by Commissioner Martin and seconded by Commissioner Bata to renew the license for I.B.N. for 2020. Martin – Y, Bata – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

- Standardbreds
 - Due to the lack of racing opportunities in North Dakota, Standardbreds have been awarded the following eligible in-state dates for 2020: March 15 through March 30 (Cal Expo in California) and July 13 through August 5 (Running Aces in Minnesota).

A motion was made by Commissioner Hanson and seconded by Commissioner Bata to award the following in-state dates for 2020 for Standardbreds: March 15 through March 30 (Cal Expo in California) and July 13 through August 5 Running Aces in Minnesota). Hanson – Y, Bata – Y, Piepkorn – Y, and Martin – Y. Motion passed.

- 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 2020.

A motion was made by Commissioner Martin and seconded by Commissioner Bata to offer 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. Martin – Y, Bata -Y, Piepkorn – Y, and Hanson – Y. Motion passed.

- 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.

A motion was made by Commissioner Hanson and seconded by Commissioner Martin to approve eligibility for “back to back” racing. Hanson -Y, Martin -Y, Piepkorn -Y, and Bata -Y. Motion passed.

Director Schulz notified the Commissioners that there were some miscalculations made when calculating the awards for 2019 as some horses were not eligible due to “back to back” racing. The breed fund administrator recalculated the awards and corrections are being made.

No motions needed.

Director Schulz made a recommendation to change to the certification process in the Breed Fund until changes can be made to the Administrative Rule. The recommendation is to allow North Dakota-bred horses that are a yearling or older to be registered in the Breed Fund for \$250. For foals registered in their foaling year, the fee will remain at \$10.

A motion was made by Commissioner Bata and seconded by Commissioner Martin to allow all ND-bred horses, following their foaling year, to pay a fee of \$250 to get into the Breed Fund. Bata – Y, Martin – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

8. Internship Program Update

Director Schulz provided an update on the Internship Program. The application to the state for matching funding will be submitted in December 2019 as the funding would be half from the State and half from the Racing Commission. Director Schulz previously received authorization from the Commission to go to Rillito Park in New Mexico to observe their partnership with the University of Arizona Racetrack Industry Program.

No motions needed.

9. Racing Symposium

Director Schulz provided an update to the Racing Symposium in Arizona in December.

No motions needed.

10. Marketing Strategy Update

Director Schulz provided an update on his request to the Commerce Department.

No motions needed.

11. Scott Horst Request for Protest/Reimbursement

Director Schulz stated that he had received a request from Scott Horst for reimbursement for his cost to pay for the split sample testing.

A motion was made by Commissioner Hanson to turn down Scott Horst's request, but there wasn't a second. Motion failed.

A motion was made by Commissioner Bata and seconded by Commissioner Martin to reimburse Scott Horst \$375 for the split sample test. Bata – Y, Martin – Y, Piepkorn – Y, and Hanson – Y. Motion passed.

12. Scheduling 2020 Commission Meetings

Commissioners decided to have the quarterly meetings on the third Thursday in February, April, August and November in 2020. Those dates are February 20, April 16, August 20, and November 19.

Commissioner Hanson suggested that at a future meeting that the following items be discussed: expanding horse racing in North Dakota and Legislative matters.

No motions needed.

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

Some of the horsemen present asked that the Racing Commission provide a document that outlines the Breed Fund Process to share with new horsemen that want to get horses into the Breed Fund Program.

No motions needed.

14. 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 1:15 pm.