

NORTH DAKOTA RACING COMMISSION
500 North 9th Street, Bismarck, ND
Tuesday, June 26, 2007
9:00 a.m. (central time)

Call to Order:

Chairman, James Arthaud, called the meeting to order at 9:00 a.m.

Present:

Commission Members: James Arthaud, Medora; Clarence Frederick, Belcourt; DeAnn Pladson, Fargo; Tom Secrest, Hettinger; Jim Clement, Mandan; Director of Racing, Randy Blaseg; Legal Counsel Bill Peterson and Administrative Staff Officer Helen Tessmann.

Others Present:

Ken Lien, Kevin Hall, Rob Lynch, Jim Tilton, Mike Cichy, John Bubel, Kelly Peach, Waylon Peach, Roger Thompson, Richard Nevins, Leon Glasser, Les Schmidt, Janell Cole, Jonathan Garaas, David Garass, and Beth Baumstark.

1. Lien Games Racing LLC

- a. Fair Circuit Horse Racing Association – status of dispute

A motion was made to seek further information. (Secrest/Pladson/unanimous) (Clement absent)

- b. Horse Race North Dakota – reporting and reconciliation update (see agenda item #3)

(Clement present)

- c. Internet Wagering

A motion was made that it is the commission's interpretation of 53-06.2-10.1 where other electronic communications is to include internet communications. (Secrest/Clement/Arthaud-Y, Secrest-Y, Pladson-N, Frederick-Y, Clement-Y/Pass 4-1)

2. Fair Circuit Horse Racing Association (FCHRA)

Kelly Peach, represented FCHRA, made the request for \$30,000 for maintenance and equipment repairs.

The Chairman recommended an itemized list of the estimated cost of repairs be presented to the commission.

3. Commission's records request of Horse Race North Dakota

(Continued from the May 29th meeting)

A motion was made to table until the next meeting for the opportunity to review the records that have been received. (Secrest/Frederick/unanimous)

4. Consideration of 4% staff's salary increase effective July 1, 2007

A motion was made to increase the Director's and Administrative Staff Officer's salaries by four percent effective July 1, 2007 (Secret/Pladson/unanimous)

5. Doug DeMontigny and Leslie Schmidt's request for a rule change to allow track managers to be licenses as owners.

Les Schmidt spoke regarding his request. After lengthy discussion, Les withdrew his request. The Director suggested that these individuals may present their requests at the time of public input at the public hearing to address proposed changes to the North Dakota Administrative Code.

Beth Baumstark (present at 10:01 a.m.)

6. Any other business which may PROPERLY come before the commission

Beth Baumstark, an Attorney with the Sarah Vogel Law Firm represented Melissa Peach and Randy Schwartz spoke in regards to the disallowance of registration of **Major Splash Bac Jet**.

A motion was made to grant a stay until after the 2007 racing season contingent on an agreement arrived by Mr. Peterson and Ms. Baumstark regarding any winnings of Major Splash Bac Jet until the decision has been made at the administrative hearing. (Secret/Clement/unanimous)

The commission took a fifteen minute break at 10:50 a.m.

7. Commissioners' review/approval of the draft of revised rules and regulations

The commission continued the review of the revised rules and regulations from the where the commission left off at the May 29th commission meeting.

A motion was made to clarify the definition of North Dakota-bred means a foal born in North Dakota out of a broodmare registered as a broodmare with the North Dakota racing commission which broodmare was in North Dakota. (Pladson/Secret/Arthaud-Y, Pladson-Y, Frederick-Y, Secret-Y, Clement-N/Pass 4-1)

Commissioner Secret informed the commission that he had to leave the meeting and that he wanted to state for the records that he would have voted yes in favor of the rules as amended by the commission.

(Secret left at 1:14 p.m.)

A motion was made to adopt the proposed rules and to proceed with the administrative rule process. (Frederick/Pladson/unanimous) (Secret-absent)

HB 1126 (Due to the result of HB 1126, there will be no rules to regulate simulcast and account wagering after July 31, 2007)

A motion was made because it was found there was an imminent peril to the public welfare which would be abated by emergency effectiveness to declare the simulcast rules, the amendments to Chapter 69.05-01-11 as interim final rules effective on August 1st, 2007. (Pladson/Clement/unanimous) (Secret-absent)

Since Chairman James Arthaud's term expires on June 30th, this meeting was Jim's last meeting. Patrick Weir has been appointed to the commission effected July 1, 2007 for a five year term.

8. Adjournment

A motion was made to adjourn the meeting. (Frederick/Clement/unanimous) (Secret absent)
The meeting was adjourned at 2:00 p.m.