



MONTANA BOARD OF HORSE RACING

Minutes of Board Meeting: ZOOM CALL

Thursday – September 24, 2020 – 10:00 a.m.

MEMBERS ON ZOOM CALL:

Chairman: John Hayes, Great Falls
Member: Gary Koepplin, Florence
Member: Barry Stang, Helena
Member: Jody Smith, Miles City
Executive Secretary: Tom Tucker, Corvallis

MEMBERS ABSENT:

Member: Shawn Real Bird, Hardin
Vice Chairman: Dale Mahlum, Missoula
Member: Ralph Young, Columbus

PUBLIC ON PHONE:

John Iverson, Angela Nunn, Neil Peterson, Ronda Wiggers, Dan Fuchs, Cindy Johnson, Joe Sandoval, Jessica Blumberg, Dr. Kelly Manzer, Robert Tooke, Scott Powell, Sparky Kottke, Diane Kottke

CALLED TO ORDER:

Chairman John Hayes called the meeting to order at 10:00 a.m. He welcomed all those on the zoom call. The Chairman then asked for a roll call. All board members were on the call except Vice-Chairman Dale Mahlum, Member Shawn Real Bird and Member Ralph Young. Minutes from the August 31 zoom call were not available but will be for the November 10th meeting.

Since the board conducted a zoom meeting on August 31, no financials were presented for the September 24th meeting.

Agenda #3 and #4 were discussed together; historical horse racing legislation and sports wagering legislation. Tucker explained the vote by the Economic Affairs Interim Committee to move the proposed HHR legislation on was defeated by a 5 to 5 vote. Dan Fuchs commented that though this is a setback, he has already lined up Senator Bogner from Miles City to introduce this legislation. Fuchs also went on to say that Fleetwood Gaming from Billings has an agreement with Exacta Systems to produce the machines in Montana as well as serve as the route operator. A discussion then occurred in regards to how should the board move forward, the chances of this legislation passing as well as where the opposition to this legislation will come from. Administrator Angela Nunn from Gambling Control mentioned to the board that the Kentucky Supreme Court just struck down the Exacta Systems Historical Horse Racing game as not being parimutuel. This could be an issue in Montana. Neil Peterson of Gaming Industry Association of Montana addressed the board in regards to the sports wagering bill being introduced by the Montana Coin Machine Operators Association. Money is being set aside for the board of horse racing and Mr. Peterson stated that this bill has more support than the HHR and could be very beneficial to the horse racing industry. The board needs to take a serious look at this legislation instead of HHR. Questions were asked by the board in regards to any guarantees of receiving part of the sports wagering. Member Stang stated he didn't understand why the board would have to support one over the other. Dan Fuchs added the board should let the legislature decide.

John Iverson from Montana Tavern Association stated the tavern members still have problems with the parity between the current gaming machines and the HHR machines. Maximum payouts need to be the same between the machines. He thought the board of horse racing would have excellent support from the tavern owners if the board chose to work with the sports wagering legislation. An added benefit might be the ability to wager on horse racing through the sports wagering terminals.

Member Koepplin asked that this be discussed at the next board meeting and hopefully some other ideas can be put together on how to approach the two legislative proposals. Member Smith stated that her goal was to save horse racing and by supporting both pieces of legislation, maybe at least one will get passed.

Ronda Wiggers from the coin operators addressed the board and stated the sports wagering bill has been worked on for a long time. It passed the last legislature before being vetoed by the governor's office. The coin operators feel better about it this time, but it will be hard to convince the coin operators industry to give the horse racing industry some money when the board of horse racing is also supporting legislation that will go into competition with it coin operators. Wiggers suggested to the board of horse racing that they need to take a good look at the sports wagering proposal.

Item # 5, both Chairman Hayes and Executive Secretary Tucker will look for legislators to carry the legislation to change Statute 23-4-302 (4) to allow the board more flexibility in distribution owner and breeder bonus money derived from Advance Deposit Wagering activity.

Tucker then briefly informed the board of national legislation that could affect the industry around the country - Senate Bill 4547 which creates a panel to oversee safety and medication rules around the country. The feeling right now is that this legislation will pass, but no one knows for certain. Tucker will keep the board up-to-date on this issue.

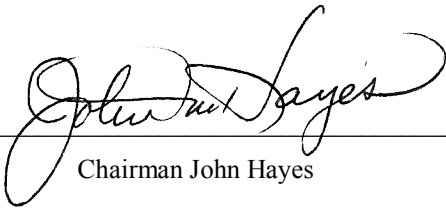
Chairman Hayes then asked for public comment. None was heard.

No Old Business.

No New Business.

Tucker reminded the board members and other on the zoom call that the date hearing for scheduling of 2021 race dates will be at 10AM on November 10, 2020. Zoom meeting information will be sent out 4-5 days in advance.

Member Koeplin moved the adjourn the board meeting with a second from Member Smith. Motion passed. The zoom board meeting was adjourned at 10:47 am.



Chairman John Hayes

November 10, 2020

Date

