

January 2008

Introduced by

1 A BILL for an Act to amend and reenact section 53-06.2-02 and subsection 6 of section  
2 53-06.2-11 of the North Dakota Century Code, relating to the racing commission and the  
3 authority of the attorney general.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 53-06.2-02 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **53-06.2-02. Racing commission - Members - Appointment - Term - Qualifications -**  
8 **Compensation.**

9 1. A North Dakota racing commission is established ~~consisting in the office of the~~  
10 attorney general. The commission is subject to the supervision and direction of the  
11 attorney general, except with regard to the commission's authority to spend the  
12 funds described in subsection 6 of section 53-06.2-11. The attorney general may  
13 require payment for any services rendered to the commission. Payment for those  
14 services must be deposited into the attorney general's operating fund. The  
15 commission consists of the chairman and four other members appointed by the  
16 governor. One of the members must be appointed from a list of four nominees,  
17 one of whom is nominated by the state chapter or affiliate of the American quarter  
18 horse racing association, one of whom is nominated by the state chapter or affiliate  
19 of the United States trotting association, one of whom is nominated by the state  
20 chapter or affiliate of the international Arabian horse association, and one of whom  
21 is nominated by the state chapter or affiliate of the North Dakota thoroughbred  
22 association. The members serve five-year terms and until a successor is  
23 appointed and qualified. A member appointed to fill a vacancy arising from other

1 than the natural expiration of a term serves for the unexpired portion of the term  
2 and may be reappointed. The terms of the commissioners must be staggered so  
3 that one term expires each July first. At the expiration of the five-year term of each  
4 incumbent member of the commission, the governor shall appoint a new member  
5 to the commission.

- 6 2. A person is ineligible for appointment to the commission if that person has not  
7 been a resident of this state for at least two years before the date of appointment.  
8 A person is also ineligible if that person is not of such character and reputation as  
9 to promote public confidence in the administration of racing in this state. A person  
10 who has a financial interest in racing cannot be a member of the commission and  
11 cannot be employed by the commission. Failure to maintain compliance with this  
12 subsection is grounds for removal from the commission or from employment with  
13 the commission. For purposes of this section, a person has a financial interest in  
14 racing if that person has an ownership interest in horses running at live or  
15 simulcast meets conducted or shown in this state subject to this chapter or rules of  
16 the commission, is required to be licensed under this chapter or the rules of the  
17 commission, or who derives any direct financial benefit from racing, individually or  
18 by or through an entity or other person, as regulated by this chapter or the rules of  
19 the commission.

- 20 3. Commission members are entitled to seventy-five dollars per day for  
21 compensation, and mileage and expense reimbursement as allowed to other state  
22 employees.

23 **SECTION 2. AMENDMENT.** Subsection 6 of section 53-06.2-11 of the North Dakota  
24 Century Code is amended and reenacted as follows:

- 25 6. The commission shall deposit the moneys received pursuant to subsections 1, 2,  
26 and 3 and from the North Dakota horse racing foundation pursuant to subsection 5  
27 of section 53-06.2-05 in the breeders' fund, the purse fund, and the racing  
28 promotion fund. Moneys, and any earnings on the moneys, in the breeders' fund,  
29 purse fund, and racing promotion fund are appropriated to the commission on a  
30 continuing basis to carry out the purposes of those funds under this chapter and  
31 must be administered and disbursed in accordance with rules adopted by the

1                   commission. The commission may not transfer money among the funds. The  
2                   commission shall distribute awards and payment supplements from the breeders'  
3                   fund in the same calendar year the money was earned by the recipient. The  
4                   commission shall distribute payments awarded to qualified owners and breeders  
5                   from the breeders' fund without requiring owners and breeders to apply for the  
6                   payments. The commission, upon approval of the ~~emergency commission~~  
7                   attorney general, may receive no more than twenty-five percent of the racing  
8                   promotion fund for the payment of the commission's operating expenses.