



MONTANA BOARD OF HORSE RACING

Minutes of Board Meeting: ZOOM CALL

Tuesday - July 13, 2021 – 10:00 a.m.

MEMBERS ON ZOOM CALL:

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

MEMBERS ABSENT:

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

PUBLIC ON ZOOM CALL:

Dr. Kelly Manzer, John Iverson, Raleigh Swensrud, Director Scott Sales, Sparky Kottke, Diane Kottke

CALLED TO ORDER:

Chairman John Hayes called the meeting to order at 10:05 a.m. and welcomed all those on the zoom call and explained the meeting protocol. The Chairman then asked for a roll call. Five board members were present with Vice Chairman Dale Mahlum and Shawn Real Bird absent. Minutes from the April 1 zoom meeting were reviewed and accepted.

Executive Secretary Tucker then gave a financial report showing the board's cash position of \$900,000. The board currently receives revenues from the live racing, advance deposit wagering and fantasy sports. The simulcasting network closed at the start of 2020. With the addition of sports wagering being offered through the Montana Lottery, the board has seen a drop to fantasy sports revenues. Advance deposit wagering during the pandemic has seen an increase as many people are staying home. Member Koepplin moved to accept the financial report and it was seconded by Member Stang. Motion passed.

Item #4 on the agenda was discussion of the current agreement with the Montana Lottery to provide fantasy sports wagering on their terminals. The agreement ends March 30, 2023 and the Lottery will not be renewing this agreement. After a short discussion it was decided to see if the board could work out a compromise that would help all participants of the agreement. Director Sales explained the Lottery's position and that the revenues were not there to warrant a new agreement. Members Smith and Stang felt it was a good compromise to get money upfront from this agreement. \$80,000 is the figure the board hopes to get over the next year, which is more than what they have been receiving in the past. Member Young agreed and moved to accept a buy-out from the Lottery. Member Smith seconded the motion. Motion passed.

Item #5 was a discussion on HB 704, a bill to allow the Montana Lottery to run a game to support live horse racing. Both Tucker and Chairman Hayes explained their idea of the type of game - "Montana Millionaire" that could be run. Chairman Hayes also gave some background on how HB 704 came about and the speed of which it got passed. Excellent support for HB 704 came from all of the gaming industry. The director of the Montana Lottery, Director Scott Sales explained why the Lottery was against running another Montana Millionaire style game and that they would offer a scratch game instead. He added that the Montana Lottery is also working on some other ideas. Members discussed the need for more revenues to help the racing industry add days and race tracks. Director Sales suggested the board should just go to the legislature and ask for the \$600,000 they are looking for. After a long discussion, the board members stressed the need for additional revenues but Director Sales would only offer a scratch game or something similar at this time.

Next item on the agenda was public comment. None being heard, Chairman Hayes went on to item number 7. Tucker gave an update to the board members regarding Miles City racing this spring and the costs associated with regulating the race meet. Member Koepplin pointed out the great community support in Miles City and the hard work of the new Director of Racing - Robert Tooke and members of the Bucking Horse Sale Committee. The group is looking at 3 weekends in 2022 and Member Koepplin hopes the board of horse racing can continue to support their efforts in Miles City.

Item #8 was a short discussion on the need for tracks to hire their own veterinarians. It was determined that the tracks have the right to hire a veterinarian to be present at the track but the board wasn't going to force them to do so. Veterinarian services are usually based on need and the horsemen themselves getting the veterinarians they want to use.

Item #9 was a discussion on the use of lasix and horses running consecutive days. Dr. Manzer talked about other jurisdictions and how they limit the number of days a horse can run if on lasix. Montana has no such rule. A concern was brought up, due to the very hot summer

Montana was experiencing. State Steward Raleigh Swensrud mentioned that Great Falls could inform the horsemen that a track rule would be implemented this summer that no horse can run back-to-back if on lasix. Board members agreed that would be a good idea. Member Young mentioned that with a new national organization being formed to monitor horse medications and racing safety, many of these rules and guidelines may change this winter. Member Koeplin said he would work with the Great Falls race meet management to get the word out for the upcoming race meet.

Public comment was then asked for - none was heard.

No old business.

Under new business, Tucker clarified the board's position requiring race meets provide transportation for the state veterinarian and state security during the races. It is a safety issue and helps get these officials to the scene of an accident much faster. Usually a representative of the ambulance crew also rides with the officials. Tucker then asked the board members to look at their calendars to see if they were going to use their rooms at the State Fair Race Meet. If not, Tucker would cancel them. Tucker then mentioned he planned to travel to Kalispell and Shelby to evaluate their facilities for the possible expansion of racing in Montana. The board currently has cash reserves and now would be the time to look at expanding. However, the board needs to continue to work at generating more revenues as additional racing & race meetings will require more money.

Before closing, Member Young stated he wasn't comfortable with HB 704. Unless something more than a scratch game is provided, he feels the industry took a step back and once again will be fighting to try and expand to the number of race days and race meets needed.

Tucker then asked the board if they were ok with setting the next meeting for November 3, 2021 in Helena. This will be the date allocation meeting. If Covid-19 is still causing issues, Chairman Hayes could call for a zoom meeting. All the members agreed that November 3rd - a Wednesday would be fine.

Member Koeplin moved to adjourn the meeting. Member Stang seconded the motion. Meeting was adjourned at 11:38 a.m.

Chairman John Hayes

Date

