

**SENATE BILL NO. 2340  
with House Amendments**Fifty-ninth  
Legislative Assembly  
of North Dakota**SENATE BILL NO. 2340**

Introduced by

Senators Bowman, Holmberg, Lyson

Representatives Carlson, Devlin, R. Kelsch

1 A BILL for an Act to amend and reenact subsection 1 of section 53-06.2-02, subsection 3 of  
2 section 53-06.2-11, and section 53-06.2-13 of the North Dakota Century Code, relating to the  
3 North Dakota racing commission; and to declare an emergency.

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

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

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

each July first. At the expiration of the five-year term of each incumbent member of the commission, the governor shall appoint a new member to the commission.

**SECTION 2. AMENDMENT.** Subsection 3 of section 53-06.2-11 of the North Dakota Century Code is amended and reenacted as follows:

3. Unclaimed tickets and breakage from each live race meet and simulcast program as defined by the commission and the percentage of the wagering pool to be paid to the racing promotion fund under subsections 1 and 2 must be retained by the commission in a special fund to assist in improving and upgrading racetracks in the state, for the promotion of horse racing within the state, and in developing new racetracks in the state as necessary and approved by the commission.
- Notwithstanding this section, the commission may, ~~upon approval of the attorney general,~~ receive no more than twenty-five percent of this fund for the purpose of payment of operating expenses of the commission.

**SECTION 3. AMENDMENT.** Section 53-06.2-13 of the North Dakota Century Code is amended and reenacted as follows:

**53-06.2-13. Duty of attorney general to participate in certain hearings and to conduct investigations - Employment of private counsel by commission.**

1. The attorney general shall represent the state in all hearings before the commission and shall prosecute all criminal proceedings arising from violations of this chapter. The attorney general may require payment for any services rendered to the racing commission. Payment for the services must be deposited in the attorney general's operating fund. The commission may employ private counsel for adoption of rules and to ensure that its hearings are conducted fairly.
2. The attorney general may investigate licensed service providers and affiliated companies authorized by the commission to operate the simulcast parimutuel wagering system. The commission shall reimburse the attorney general for all services rendered to the racing commission. Payment for the services must be deposited in the attorney general's operating fund.

**SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.