

**SENATE BILL NO. 2361**

Introduced by

Senators Thompson, Bercier, Klein

Representatives Schmidt, Solberg, L. Thoreson

1 A BILL for an Act to create and enact a new subsection to section 53-06.2-01, a new subsection  
2 to section 53-06.2-04, a new subsection to section 53-06.2-05, and a new section to chapter  
3 53-06.2 of the North Dakota Century Code, relating to definitions, funds administered by the  
4 racing commission, and a continuing appropriation; to amend and reenact subsections 1, 2, and  
5 3 of section 53-06.2-11 of the North Dakota Century Code, relating to the use of racing funds;  
6 and to provide an expiration date.

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

8 **SECTION 1.** A new subsection to section 53-06.2-01 of the 1997 Supplement to the  
9 North Dakota Century Code is created and enacted as follows:

10 "Promotion fund" means a fund, administered by the commission, established to  
11 assist in improving and upgrading racetracks in the state, to promote horse racing  
12 within the state, to develop new racetracks in the state as necessary and approved  
13 by the commission, to defray the operating expenses of the commission, and to  
14 assist 4-H horse-related programs that are sponsored and administered by the  
15 North Dakota state university extension service in cooperation with counties.

16 **SECTION 2.** A new subsection to section 53-06.2-04 of the 1997 Supplement to the  
17 North Dakota Century Code is created and enacted as follows:

18 Promote an increase in live horse racing in the state.

19 **SECTION 3.** A new subsection to section 53-06.2-05 of the 1997 Supplement to the  
20 North Dakota Century Code is created and enacted as follows:

21 Receive moneys collected by the commission for license fees charged to individual  
22 and corporate racing participants, fines assessed against racing participants by the  
23 commission, and fees for entry to programs administered by the commission.

1           **SECTION 4.** A new section to chapter 53-06.2 of the North Dakota Century Code is  
2 created and enacted as follows:

3           **Continuing appropriation.** Moneys collected under section 3 of this Act must be  
4 deposited with the state treasurer for deposit in a special fund and are appropriated on a  
5 continuing basis to the commission for the purpose of defraying the costs and expenses of the  
6 commission.

7           **SECTION 5. AMENDMENT.** Subsections 1 and 2 of section 53-06.2-11 of the 1997  
8 Supplement to the North Dakota Century Code are amended and reenacted as follows:

- 9           1. For each day of a live race meet or a simulcast day in this state on win, place, and  
10 show parimutuel pools, the licensee shall deduct up to twenty percent of the total  
11 win, place, and show pool. The licensee may retain seventeen percent for  
12 expenses. ~~One-half of;~~ one percent must be paid to the ~~North Dakota racing~~  
13 ~~commission to be used for the North Dakota purse fund. One-half; one-half~~ of one  
14 percent must be paid to the ~~North Dakota racing~~ commission to be used for the  
15 ~~North Dakota breeders' fund for the respective breed of horses racing at that meet.~~  
16 ~~The remaining two percent must be paid to the state treasurer to be deposited in~~  
17 ~~the general fund; and one and one-half percent must be paid to the commission to~~  
18 ~~be deposited in the promotion fund.~~
- 19           2. For each day of a live race meet or a simulcast day in this state for each daily  
20 double, quinella, exacta, trifecta, or other wager combining two or more horses for  
21 winning payoffs, the licensee shall deduct up to twenty-five percent of each  
22 wagering pool. Of this amount, the licensee may retain twenty-one percent for  
23 expenses. ~~One-half of; must pay~~ one percent ~~must be paid~~ to the commission to  
24 be deposited in the purse fund. ~~One-half of one; must pay two and one-half~~  
25 percent ~~must be paid~~ to the commission to be deposited in the promotion fund.  
26 ~~One-half of one; and must pay one-half percent must be paid~~ to the commission to  
27 be deposited in the breeders' fund. ~~The remaining two and one-half percent must~~  
28 ~~be paid to the state treasurer to be deposited in the general fund.~~

29           **SECTION 6. AMENDMENT.** Subsection 3 of section 53-06.2-11 of the 1997  
30 Supplement to the North Dakota Century Code is amended and reenacted as follows:

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

11           **SECTION 7. EXPIRATION DATE.** Section 5 of this Act is effective through June 30,  
12   2005, and after that date is ineffective. Subsections 1 and 2 of section 53-06.2-11 as they  
13   existed on the day before the effective date of this Act become effective as of July 1, 2005.