ENGROSSED SENATE
BILL NO. 198

BY: HOBSON of the SENATE

and

GLOVER of the HOUSE

AN ACT RELATING TO AMUSEMENTS AND SPORTS; AMENDING SECTION 23, CHAPTER 11, O.S.L. 1983, AS LAST AMENDED BY SECTION 4, CHAPTER 275, O.S.L. 1990 (3A O.S. SUPP. 1990, SECTION 205.6), WHICH RELATES TO DISTRIBUTION OF PROCEEDS FROM PARI-MUTUEL WAGERING; REDUCING STATE'S SHARE OF PROCEEDS RETAINED FROM MONEY WAGERED; INCREASING SHARE OF PROCEEDS DISTRIBUTED TO PURSES; DELETING LANGUAGE SETTING STATE'S SHARE AT SIX PERCENT UNDER CERTAIN CONDITION; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 23, Chapter 11, O.S.L. 1983, as last amended by Section 4, Chapter 275, O.S.L. 1990 (3A O.S. Supp. 1990, Section 205.6), is amended to read as follows:

Section 205.6 A. Any organization licensee conducting a race meeting may provide places on the race meeting grounds at which it may conduct and supervise the pari-mutuel system of wagering on the horse races conducted by the organization licensee at the race meeting. No other place or method of betting, pool making,

wagering, or gambling shall be used or permitted by the organization licensee. The pari-mutuel system of wagering shall be permitted only on horse races conducted at a racetrack where such pari-mutuel system of wagering is authorized pursuant to the provisions of the Oklahoma Horse Racing Act.

B. Except as provided in subsection ~~E~~ D of this section, each organization licensee that holds a race meeting at which the pari-mutuel system of wagering is conducted shall retain an amount equal to eighteen percent (18%) of all money wagered, to be distributed as follows:

1. The first One Hundred Million Dollars ($100,000,000.00) wagered per calendar year for each type of racing shall be distributed as follows provided, that all racing dates exclusively for Thoroughbred racing in a calendar year shall be combined for the purpose of computing taxation rates and all racing dates for mixed racing and all other individual breeds in a calendar year shall be combined but considered separate from Thoroughbred racing for the purpose of computing taxation rates:

a. One-ninth (1/9) of the eighteen percent (18%) shall be remitted to the Oklahoma Tax Commission on the first business day following the close of the racing day on which it was assessed. One hundred percent (100%) of the revenue derived pursuant to the provisions of this paragraph shall be apportioned monthly to the General Revenue Fund of the state for the support of the state government, to be paid out only pursuant to appropriation by the Legislature; and

b. Five-ninths (5/9) of the eighteen percent (18%) shall be retained by the organization licensee; and

c. One-third (1/3) of the eighteen percent (18%) shall be retained by the organization licensee to be distributed as purses for participating horses.

2. All money wagered per calendar year for each type of racing in excess of One Hundred Million Dollars ($100,000,000.00) but not to exceed One Hundred Fifty Million Dollars ($150,000,000.00) shall be distributed as follows provided, that all racing dates exclusively for Thoroughbred racing in a calendar year shall be combined for the purpose of computing taxation rates and all racing dates for mixed racing and all other individual breeds in a calendar year shall be combined but considered separate from Thoroughbred racing for the purpose of computing taxation rates:

a. ~~Two-ninths (2/9)~~ One-ninth (1/9) of the eighteen percent (18%) shall be remitted to the Oklahoma Tax Commission on the first business day following the close of the racing day on which it was assessed. One hundred percent (100%) of the revenue derived pursuant to the provisions of this paragraph shall be apportioned monthly to the General Revenue Fund of the state for the support of the state government, to be paid out only pursuant to appropriation by the Legislature; and

b. Four-ninths (4/9) of the eighteen percent (18%) shall be retained by the organization licensee; and

c. ~~One-third (1/3)~~ Four-ninths (4/9) of the eighteen percent (18%) shall be retained by the organization licensee to be distributed as purses for participating horses.

3. All money wagered per calendar year for each type of racing in excess of One Hundred Fifty Million Dollars ($150,000,000.00) shall be distributed as follows provided, that all racing dates exclusively for Thoroughbred racing in a calendar year shall be combined for the purpose of computing taxation rates and all racing dates for mixed racing and all other individual breeds in a calendar

year shall be combined but considered separate from Thoroughbred racing for the purpose of computing taxation rates:

a. ~~One-third (1/3)~~ One-ninth (1/9) of the eighteen percent (18%) shall be remitted to the Oklahoma Tax Commission on the first business day following the close of the racing day on which it was assessed. One hundred percent (100%) of the revenue derived pursuant to the provisions of this paragraph shall be apportioned monthly to the General Revenue Fund of the state for the support of the state government, to be paid out only pursuant to appropriation by the Legislature; and

b. One-third (1/3) of the eighteen percent (18%) shall be retained by the organization licensee; and

c. ~~One-third (1/3)~~ Five-ninths (5/9) of the eighteen percent (18%) shall be retained by the organization licensee to be distributed as purses for participating horses.

~~C. Notwithstanding any other provisions of this act, the state shall collect six percent (6%) of the total amount wagered under the provisions of this act at such time the organization licensee has no further debt service.~~

~~D.~~ C. In addition to the amount required to be retained by the provisions of subsection B of this section, each organization licensee holding a race meeting at which the pari-mutuel system of wagering is conducted shall retain an additional amount equal to two percent (2%) of all money wagered on a daily double, quinella, or exacta. Such amount shall be ~~remitted to the Oklahoma Tax Commission on the first business day following the close of the racing day on which it was assessed. The revenue derived from the provisions of this subsection shall be paid monthly by the Oklahoma Tax Commission to the State Treasurer to be deposited to the credit~~

~~of the General Revenue Fund of the State Treasury~~ retained by the organization licensee to be distributed as purses for participating horses.

~~E.~~ D. Each organization licensee shall retain an amount equal to twenty-five percent (25%) of all money wagered on pick six wagers, to be distributed as follows:

1. ~~Seven twenty-fifths (7/25)~~ Two twenty-fifths (2/25) of the twenty-five percent (25%) shall be remitted to the Oklahoma Tax Commission on the first business day following the close of the racing day on which it was assessed. The revenue shall be apportioned monthly to the General Revenue Fund of the state for the support of the state government, to be paid out only pursuant to appropriation by the Legislature;

2. Two-fifths (2/5) of the twenty-five percent (25%) shall be retained by the organization licensee; and

3. ~~Eight twenty-fifths (8/25)~~ Thirteen twenty-fifths (13/25) of the twenty-five percent (25%) shall be retained by the organization licensee to be distributed as purses for participating horses.

~~F.~~ E. Organization licensees shall keep accurate books and records of all moneys wagered on each day of a race meeting and of the taxes paid pursuant to the provisions of this section. The Oklahoma Tax Commission or an authorized representative shall have access at all reasonable times to such records for the purpose of examining and checking the records and ascertaining whether the proper amount of taxes is being paid. The Oklahoma Tax Commission shall require verified reports and a statement of the total of all moneys wagered daily at a race meeting and may prescribe forms upon which such reports and statement shall be made. The organization licensee shall provide the Oklahoma Tax Commission with such space and accommodations as may be necessary for the Oklahoma Tax Commission to implement its duties pursuant to the provisions of the Oklahoma Horse Racing Act.

~~G.~~ F. No revenue bonds issued by a public trust, as authorized by the provisions of Title 62 of the Oklahoma Statutes, shall be used to finance any racetrack or racing facility.

SECTION 2. This act shall become effective July 1, 1991.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 26th day of February, 1991.

President of the Senate

Passed the House of Representatives the ____ day of _____, 1991.

Speaker of the House of Representatives