

ENROLLED SENATE
BILL NO. 1167

By: Long (Lewis) of the Senate

and

Steidley and Toure of the
House

An Act relating to horse racing; amending Section 1, Chapter 125, O.S.L. 1995, 3A O.S. 1991, Section 205.7, as last amended by Section 2, Chapter 125, O.S.L. 1995 and Section 3, Chapter 125, O.S.L. 1995 (3A O.S. Supp. 1995, Sections 205.6a, 205.7 and 205.7a), which relate to offtrack wagering and simulcast races and to fair associations licensed to conduct race meetings; modifying certain restrictions on conducting offtrack wagering; correcting statutory references; clarifying language; deleting gross purse requirement on out-of-state races; stating circumstances and limiting number of out-of-state programs on which organization licensee may accept wagers when conducting and when not conducting live racing; limiting number of days when certain wagering may be accepted and making exception; allowing Oklahoma Horse Racing Commission to authorize licensee to accept wagers on individual out-of-state races; defining full racing program; deleting requirement to place certain wagers in separate pool and allowing these wagers to be placed in separate pool or combined with other pools; conforming language; requiring certain organization licensee to make application for certain number of racing days with certain exception; requiring certain percent of monies wagered be remitted to State Auditor and Inspector for certain purpose; requiring televising of live races under certain conditions; authorizing pari-mutuel wagering on such races at certain facilities; clarifying days considered as racing days; authorizing local rodeo committee to accept local entry for certain purpose; providing for codification; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 1, Chapter 125, O.S.L. 1995 (3A O.S. Supp. 1995, Section 205.6a), is amended to read as follows:

Section 205.6a A. Any organization licensee shall file with the Oklahoma Horse Racing Commission its plan to conduct pari-mutuel wagering ~~on the organization licensee's race program~~ at a facility or facilities located outside the organization licensee's racing enclosure. Such pari-mutuel wagering ~~shall~~ may be conducted ~~only during the organization licensee's approved race meeting or meetings~~

~~and shall be conducted simultaneous to all pari-mutuel wagering at the organization licensee's racing facility in this state at any time as authorized by the Commission.~~ The conducting of pari-mutuel wagering at a facility outside the organization licensee's enclosure is subject to the following:

1. Pari-mutuel wagering shall be permitted only in a county which approves or has approved the conducting of pari-mutuel horse racing in that county pursuant to the provisions of Section 209 of ~~Title 3A of the Oklahoma Statutes~~ this title;

2. Pari-mutuel wagering conducted by an organization licensee shall not be permitted within thirty (30) miles of another organization licensee's racing enclosure without the express permission granted by the other organization licensee;

3. All pari-mutuel wagering facilities located outside any organization licensee's racing enclosure shall be operated in accordance with all applicable rules of the Oklahoma Horse Racing Commission Rules of Racing (Pari-Mutuel Edition);

4. The organization licensee sending its racing signal to a facility or facilities outside its racing enclosure may combine the pari-mutuel pools of all facilities with those of the organization licensee for the purpose of determining odds and computing payoffs. The amount of money to be retained and distributed by the organization licensee and to be remitted to the Oklahoma Tax Commission from money wagered pursuant to the provisions of this section shall be the same as set forth in paragraph 1 of subsection B, ~~paragraph 1 of in~~ subsection D, ~~and paragraph 1 of in~~ subsection E of Section 205.6 of ~~Title 3A of the Oklahoma Statutes~~ this title and ~~in~~ Section 208.2 of ~~Title 3A of the Oklahoma Statutes~~ this title;

5. One percent (1%) of the total monies wagered at a facility other than an organization licensee's racing enclosure shall be distributed from the amount retained pursuant to paragraph 4 of this subsection as follows:

- a. ten percent (10%) to the State Auditor and Inspector for the purpose of auditing such facilities, and
- b. forty-five percent (45%) to the county in which the facility is located, and
- c. forty-five percent (45%) to the city in which the facility is located, or
- d. if the facility is not located within the corporate limits of any city, ninety percent (90%) to the county in which the facility is located;

6. The distribution for purses at facilities other than an organization licensee's racing enclosures shall be:

- a. six and one-half percent (6.5%) of total handle during the first thirty-six (36) months after the opening of a facility in a county, and
- b. seven and one-half percent (7.5%) of total handle thereafter.

Upon completion of three hundred sixty-five (365) calendar days since the opening of a facility in a county, the thirty-six-month period commences retroactive to the opening of that facility. If the facility does not operate for three hundred sixty-five (365) calendar days, a new facility may be opened and operated, with the thirty-six-month period commencing consistent with this paragraph. If a facility terminates operation after the three-hundred-sixty-fifth calendar day, all days shall be allotted to subsequent facilities not to exceed one thousand ninety-five (1,095) calendar days per facility; and

7. The organization licensee, after the distribution to the Oklahoma Tax Commission pursuant to the provisions of paragraph 4 of this subsection and distributions pursuant to paragraphs 5 and 6 of this subsection, shall retain the balance of the monies wagered.

B. Notification by an organization licensee to conduct pari-mutuel wagering at a facility or facilities outside of the organization licensee's racing enclosure shall be made annually to the Oklahoma Horse Racing Commission. An organization licensee may make an original notification to conduct pari-mutuel wagering at a facility or facilities outside of the organization licensee's racing enclosure at any time.

C. All persons employed in the actual conduct of pari-mutuel wagering at a facility outside an organization licensee's racing enclosure shall be licensed by the Commission, consistent with Section 204.2 of this title.

D. Breakage and unclaimed ticket proceeds shall be distributed in the manner applicable to the races of the racing program of the organization licensee sending the racing program.

SECTION 2. AMENDATORY 3A O.S. 1991, Section 205.7, as last amended by Section 2, Chapter 125, O.S.L. 1995 (3A O.S. Supp. 1995, Section 205.7), is amended to read as follows:

Section 205.7 A. ~~The Oklahoma Horse Racing Commission may authorize an organization licensee during the period it is conducting a race meeting or accepting pari-mutuel wagers on races run at any racetrack licensed by the Commission, to accept wagers on the results of out-of-state races having a gross purse of Fifty Thousand Dollars (\$50,000.00) or more. Any organization licensee may be exempt from the minimum gross purse requirements of this section if authorized by the Oklahoma Horse Racing Commission. The authorization may be granted by the Oklahoma Horse Racing Commission only if:~~

~~1. The out-of-state races are part of a national pari-mutuel wagering promotion; or~~
~~2. The out-of-state races under Fifty Thousand Dollars (\$50,000.00) constitute no more than twenty-five percent (25%) of the total number of out-of-state races simulcast at the organization licensee's racing enclosure during any race meeting. For purposes of such computation all races under paragraph 1 of this subsection shall be excluded. No out-of-state races exceeding the limits specified in this paragraph shall be allowed to accept wagers on the results of out-of-state full racing programs for simulcast races as follows:~~

1. On days when the organization licensee is conducting live racing, the licensee may accept wagers on not more than two out-of-state full racing programs during the hours when it is conducting live racing, and may accept wagers on the results of not more than four out-of-state full racing programs during the hours it is not conducting live racing; and

2. a. On days when the organization licensee is not conducting live racing, the licensee may accept wagers on the results of not more than six out-of-state full racing programs, provided that the number of days, not included in its race meeting, which an organization licensee may be authorized to accept wagering pursuant to this paragraph is limited to fifty percent (50%) of the number of days the licensee conducts live racing;

b. notwithstanding the limitations contained in subparagraph a of this paragraph, an organization licensee may accept wagers on races run at any racetrack licensed by the Oklahoma Horse Racing

Commission, and may accept wagers on the out-of-state full racing programs received by said racetrack;

3. On days when the licensee is conducting live racing, the Oklahoma Horse Racing Commission may authorize the organization licensee to accept wagers on individual out-of-state simulcast races in addition to the out-of-state full racing programs.

B. For purposes of this section, fifty percent (50%) or more of the races being run at an out-of-state track constitutes a full racing program. The authorization provided in subsection A of this section must comply with federal laws including, but not limited to, Chapter 57 of Title 15 of the United States Code.

~~B. C.~~ Wagers on out-of-state races conducted pursuant to the provisions of this section shall may be placed in a separate pari-mutuel pool or pools, or may be combined with the pari-mutuel pool or pools of the track where the race is run, or may be combined with other organization licensees licensed by the Oklahoma Horse Racing Commission and their wagering facilities located within this state.

~~C. D.~~ Each organization licensee accepting wagers on an out-of-state race shall deduct a percentage of the amount handled which is equal to the percentage deducted from the amount handled by the organization licensee in pari-mutuel pools at the race meeting or meetings held by the organization licensee if the wagers on the out-of-state races are not being combined with the pari-mutuel pool or pools where the race or races are being run.

~~D. Each~~ E. For the day on which the out-of-state race is offered, each organization licensee shall pay the state share of the organization licensee at the rate applicable to the races of the racing program of the organization licensee for the day on which the out-of-state race is offered.

~~E. F.~~ Breakage and unclaimed ticket proceeds shall be distributed in the manner applicable to the races of the racing program of the organization licensee for the day on which the out-of-state race is offered.

~~F. G.~~ Except as otherwise provided by law, the amount remaining from the deduction pursuant to the provisions of subsection ~~C~~ D of this section after payment of the state share and the contractual payment to the out-of-state host racing organization, shall be distributed as follows:

1. Fifty percent (50%) to the organization licensee; and
2. Fifty percent (50%) to the organization licensee to be distributed as purses.

H. An organization licensee accepting wagers on out-of-state full racing programs pursuant to subsection A of this section shall, for any year in which it intends to accept such out-of-state full racing programs, make application to the Commission for not less than eighty percent (80%) of the number of live racing days awarded for each race meeting to that licensee in 1996.

I. Notwithstanding subsection H of this section, any organization licensee may apply for less than the eighty percent (80%) of the number of live race days for a designated race meeting awarded to the licensee in 1996 if such application is approved by the organization licensee's official horsemen's representative at that designated race meeting.

J. One-tenth of one percent (1/10 of 1%) of the total monies wagered at the racing enclosure on out-of-state simulcast races shall be remitted by the organization licensee from the amount retained pursuant to this section to the State Auditor and Inspector for the purpose of auditing racing facilities.

SECTION 3. AMENDATORY Section 3, Chapter 125, O.S.L. 1995 (3A O.S. Supp. 1995, Section 205.7a), is amended to read as follows:

Section 205.7a A. ~~Any race run at any racetrack licensed by the Oklahoma Horse Racing Commission may be televised to another racetrack licensed by the Oklahoma Horse Racing Commission or may be televised out of state~~ organization licensee that accepts full-card out-of-state simulcast wagering at any time during a calendar year shall be required to televise to all other racetracks licensed by the Oklahoma Horse Racing Commission all of its live races, or the number of days of its live racing which is equivalent to the number of days of live racing conducted at the receiving track, whichever is less. Pari-mutuel wagering may be permitted conducted on such race races at any all other licensed track within this state, racetracks licensed by the Oklahoma Horse Racing Commission and may be allowed at their in-state offtrack pari-mutuel wagering facilities or at any other racetrack or other entity in another state or country. Money wagered on such races may be placed in separate or common pools as determined by rules of the Oklahoma Horse Racing Commission. A written application to televise a race shall contain the details of such race, its agreements and contracts, and shall be submitted to the Oklahoma Horse Racing Commission for its approval prior to the racing event. Such agreement shall comply with all applicable laws of the United States and the laws of this state. The proceeds of the agreement shall be distributed in the same manner as money wagered pursuant to the provisions of paragraph 1 of subsection B, paragraph 1 of in subsection D, and paragraph 1 of in subsection E of Section 205.6 of Title 3A of the Oklahoma Statutes this title and Section 208.2 of Title 3A of the Oklahoma Statutes this title.

B. For the days on which a licensed track within this state does not conduct live racing but conducts pari-mutuel wagering only on races televised from another licensed track within this state or on out-of-state races, the conducting of pari-mutuel wagering shall not be considered racing days for the purposes of Section 205.2 of Title 3A of the Oklahoma Statutes this title.

C. When any licensed track within this state conducts pari-mutuel wagering on races televised from another licensed track within this state, the receiving licensee shall not retransmit the sending licensee's signal without the express permission of the sending licensee.

D. Breakage and unclaimed ticket proceeds shall be distributed in the manner applicable to the races of the racing program of the organization licensees who are sending and receiving the racing program.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 251 of Title 3A, unless there is created a duplication in numbering, reads as follows:

A local rodeo committee may accept a local entry for participation in a professionally sanctioned rodeo sponsored by such committee.

SECTION 5. 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 6th day of May, 1996.

President of the Senate

Passed the House of Representatives the 8th day of May, 1996.

Speaker of the House of
Representatives