

STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1894

By: Stanley

COMMITTEE SUBSTITUTE

An Act relating to Oklahoma Horse Racing Act; amending 3A O.S. 1991, Sections 205.7, as last amended by Section 2, Chapter 176, O.S.L. 1996 and 208.2, as last amended by Section 4, Chapter 125, O.S.L. 1995 (3A O.S. Supp. 2000, Sections 205.7 and 208.2), which relate to wagering on out-of-state races and to race meetings conducted by fair associations; modifying limitation on wagering on out-of-state racing programs; modifying distribution of certain monies waged on out-of-state races; modifying length of race meeting; changing distribution of monies wagered; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 3A O.S. 1991, Section 205.7, as last amended by Section 2, Chapter 176, O.S.L. 1996 (3A O.S. Supp. 2000, Section 205.7), is amended to read as follows:

Section 205.7 A. The Oklahoma Horse Racing Commission may authorize an organization licensee 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. However, upon joint application to the Commission by the organization licensee and the organization licensee's official horsemen's representative during a designated race meeting, the Commission, for that race meeting, may authorize

the organization licensee to accept wagers on additional full-card racing programs during the hours it is conducting live racing and 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.

C. Wagers on out-of-state races conducted pursuant to the provisions of this section 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.

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.

E. For ~~the day~~ days on which ~~the~~ out-of-state ~~race is~~ races are 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~~ remit one percent (1%) of the amount wagered on the out-of-state races to the Oklahoma Tax Commission.

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

G. Except as otherwise provided by law, the amount remaining from the deduction pursuant to the provisions of subsection 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 2. AMENDATORY 3A O.S. 1991, Section 208.2, as last amended by Section 4, Chapter 125, O.S.L. 1995 (3A O.S. Supp. 2000, Section 208.2), is amended to read as follows:

Section 208.2. A. Any fair association organized pursuant to the provisions of Title 2 of the Oklahoma Statutes for Agricultural Fair Corporations, the Free Oklahoma State Fair, Free District Fairs, and Agricultural and Industrial Expositions and Fairs or any existing county, district, or state fair as of January 1, 1983, may apply to the Oklahoma Horse Racing Commission for one race meeting each year to be held within the boundaries of the county where the fair association is located. The Commission may set the number of days and the dates of such race meeting requested by the fair association. A race meeting conducted by a fair association shall not exceed ~~sixteen (16)~~ twenty-two (22) days during a ~~twenty-eight consecutive-day~~ thirty-eight-consecutive-day period. A race meeting conducted pursuant to the provisions of this section shall be conducted in such a manner that all profits shall accrue to the fair association.

B. Each organization licensee that, pursuant to this section, holds a race meeting at which the pari-mutuel system of wagering is conducted shall retain the following amounts from the monies wagered:

1. On win, place, and show wagers, an amount equal to eighteen percent (18%) shall be retained and distributed as follows:

- a. two-thirds (2/3) of the eighteen percent (18%) to the organization licensee, and
- b. one-third (1/3) of the eighteen percent (18%) to purses for participating horses;

2. On daily double, quinella, and exacta wagers, an amount equal to ~~twenty percent (20%)~~ twenty-one percent (21%) shall be retained and distributed as follows:

- a. ~~seven-tenths (7/10)~~ fourteen twenty-firsts (14/21) of the ~~twenty percent (20%)~~ twenty-one percent (21%) to the organization licensee, and
- b. ~~three-tenths (3/10)~~ seven twenty-firsts (7/21) of the ~~twenty percent (20%)~~ twenty-one percent (21%) to purses for participating horses;

3. On pick six wagers, trifecta, superfecta, twin trifecta, and pick three wagers an amount equal to twenty-five percent (25%) shall be retained and distributed as follows:

- a. ~~three-fifths (3/5)~~ seventeen twenty-fifths (17/25) of the twenty-five percent (25%) to the organization licensee, and
- b. ~~two-fifths (2/5)~~ eight twenty-fifths (8/25) of the twenty-five percent (25%) to purses for participating horses; and

4. a. Wagers conducted pursuant to Section 205.7 of this title by each organization licensee pursuant to this section during the live race meeting of the organization licensee shall be exempt from the provisions of subsection E of Section 205.7 of this title.

- b. Except as otherwise provided by law, the amount remaining after the deduction made pursuant to the

provisions of subsections D and E of Section 205.7 of this title and after 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.

c. Upon the joint application of a fair association and the official horsemen's representative for that meet, the Commission may approve a distribution of purse money earned pursuant to Section 205.7 of this title for purses to horses participating in race meeting of other organization licensees as follows:

- (1) the total purse money distributed to other organization licensees shall not exceed an amount equal to two percent (2%) of the total pari-mutuel handle generated from wagering on out-of-state races,
- (2) the purse money shall only be distributed as purses for horses participating in overnight races, and
- (3) the distribution shall allocate purse money available for the breeds of horses participating in the live races at the organization licensee in the same proportion as the live races offered by the fair association organization licensee.

C. The Commission shall issue occupation licenses for personnel of organization licensees licensed pursuant to this section. Each occupation license shall be issued pursuant to Section 204.2 of this title except that the occupation license fee shall not be more than Ten Dollars (\$10.00) excluding fingerprinting fees.

SECTION 3. This act shall become effective July 1, 2001.

SECTION 4. 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.

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