

STATE OF OKLAHOMA

1st Session of the 49th Legislature (2003)

CONFERENCE COMMITTEE
SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 1210

By: Mitchell and Bonny of the
House

and

Morgan and Robinson of the
Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Horse Racing Commission; making appropriation to the Horse Racing Commission; stating purpose; requiring budgeting in certain categories and amounts; providing for duties and compensation of employees; limiting the salary of the director; providing budgetary limitations; amending 3A O.S. 2001, Section 208.3, which relates to the Oklahoma Breeding Development Fund Special Account; modifying the percentage the Oklahoma Horse Racing Commission is authorized to use for administration; providing exceptions; making certain appropriations nonfiscal; requiring budgeting of certain funds in certain years; requiring certain budgeting procedures; prohibiting certain budgeting procedures; providing lapse date; providing an effective date; and declaring an emergency.

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

SECTION 1. There is hereby appropriated to the Oklahoma Horse Racing Commission from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2004, the sum of One Million Seven Hundred Sixty-one Thousand Seven Hundred Forty-eight Dollars (\$1,761,748.00) or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Horse Racing Commission by law.

SECTION 2. For the fiscal year ending June 30, 2004, the Oklahoma Horse Racing Commission shall budget all funds in the following categories and amounts:

<u>Category</u>	<u>Appropriation</u>	<u>Total</u>
General Operations	\$ 493,289.00	\$ 593,289.00
Race Day Expenses	1,057,049.00	1,673,049.00
Law Enforcement	193,793.00	293,793.00
Oklahoma Bred Program	<u>17,617.00</u>	<u>247,617.00</u>
TOTAL	\$1,761,748.00	\$2,807,748.00

SECTION 3. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Oklahoma Horse Racing Commission by law shall be set by the Director. The salary of the Director shall not exceed Sixty-seven Thousand Fifty-nine Dollars (\$67,059.00) per annum, payable monthly for the fiscal year ending June 30, 2004. The Oklahoma Horse Racing Commission for the fiscal year ending June 30, 2004, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures from the Oklahoma Breeding Development Revolving Fund, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	43.0
Lease-Purchase Agreements	\$0.00

SECTION 4. AMENDATORY 3A O.S. 2001, Section 208.3, is amended to read as follows:

Section 208.3 A. There is hereby created in the State Treasury an agency special account for the Oklahoma Horse Racing Commission, to be designated the "Oklahoma Breeding Development Fund Special Account". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Commission for deposit in the fund pursuant to Section 205.6 of this title and from revenue received as breakage and from unclaimed pari-mutuel tickets. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the

Commission for the purposes specified in subsection B of this section. Expenditures from said fund shall be made upon vouchers prescribed by the State Treasurer and issued by the Commission against the Oklahoma Breeding Development Fund Special Account. Any person entitled to monies from the Oklahoma Breeding Development Fund Special Account as a purse supplement, stake, reward, or award, prior to receiving said monies, shall sign an affidavit stating that the horse involved complies with the requirements for the purse supplement, stake, reward, or award. Any person entitled to monies from the Oklahoma Breeding Development Fund Special Account as a purse supplement, stake, reward, or award ("awards"), will forfeit such monies if that person fails to comply with all requirements necessary for earning the awards. Further, any such person will forfeit such monies if, within one (1) year from the date of the race in which such award was earned, that person does not submit the state voucher for payment or for replacement in the event of an expired voucher, or if that person fails to submit all documentation required by the Oklahoma Horse Racing Commission. In such event, monies accrued from forfeiture will be returned to the Oklahoma Breeding Development Fund for expenditure by the Commission for the purposes specified in subsection B of this section.

B. No monies shall be expended by the Commission from the Oklahoma Breeding Development Fund Special Account except for any of the following purposes:

1. To provide purse supplements to owners of Oklahoma-bred horses;
2. To provide stakes and rewards to be paid to the owners of the winning Oklahoma-bred horses in certain horse races;
3. To provide stallion awards to the owner of the Oklahoma stallion which is the sire of an Oklahoma-bred horse if such a horse wins any race conducted at a race meeting;

4. To provide breeders awards to the owner of the Oklahoma-registered mare which is the dam of an Oklahoma-bred horse if such a horse wins any race conducted at a race meeting;

5. To provide monies for equine research through state institutions accredited for the same;

6. To provide monies for use in marketing, promoting and advertising the Oklahoma-Bred Program and the Oklahoma horse racing industry to the people of Oklahoma, the United States and abroad;
and

7. To provide for the administration of the Oklahoma Breeding Development Program. ~~The cost of administration of this subsection shall not exceed five percent (5%)~~ Oklahoma Horse Racing Commission is hereby authorized to utilize up to ten percent (10%) of the prior year's receipts for administration. All expenses reimbursed as administrative pursuant to this subsection shall be itemized and audited pursuant to subsection E of this section. Any monies transferred from the Oklahoma Breeding Development Fund Special Account to the Oklahoma Breeding Development Revolving Fund for administrative reimbursement found to be unsubstantiated, excessive or ineligible for reimbursement by said audit shall be returned to the Oklahoma Breeding Development Fund Special Account within thirty (30) days of the conclusion of the audit.

C. By rule the Commission shall:

1. Define the term Oklahoma-bred horse;

2. Qualify stallions for participation in Oklahoma-bred stallion awards;

3. Provide for the registration of Oklahoma-domiciled mares and stallions and Oklahoma-bred horses. No such horse shall compete in the races limited to Oklahoma-bred horses unless registered with the Commission. The Commission may prescribe such forms as are necessary to determine the eligibility of such horses; provided, breeding stallions shall be eligible for registration in the

Oklahoma-bred breeding program until July 1 of the breeding year. No person shall knowingly prepare or cause preparation of an application for registration of such foals which contains false information;

4. Establish a schedule of fees for the registration of Oklahoma-domiciled mares and stallions and Oklahoma-bred horses sufficient to provide for all expenses incurred in the administration of the Oklahoma Breeding Development Fund Special Account; and

5. Allow a mare registered as Oklahoma-bred racing stock which has not been registered as an Oklahoma broodmare prior to foaling to be registered as an Oklahoma broodmare upon payment of the registration fee and a late fee not to exceed Two Hundred Dollars (\$200.00), which action shall entitle the foals of the mare to be registered as Oklahoma-bred horses provided all other qualifications of the Commission are met.

D. The Commission may contract with and designate an official registering agency to implement the registration of horses and the payment of awards from the Oklahoma Breeding Development Fund Special Account. The official registering agency shall operate under the supervision of the Commission and be subject to the rules and regulations of the Commission. The official registering agency shall receive no compensation except fees received for registration of horses. In the event the Commission elects to perform as the official registering agency rather than contracting for such services, the Commission shall deposit all registration fees from the registration of Oklahoma-bred horses into the Oklahoma Breeding Development Fund Special Account.

E. The State Auditor and Inspector shall audit the Oklahoma Breeding Development Fund Special Account on an annual basis. The expense of the audit shall be paid from said Special Account.

SECTION 5. Appropriations made by this act, not including appropriations made for capital outlay purposes, may be budgeted for the fiscal year ending June 30, 2004 (hereafter FY-04) or may be budgeted for the fiscal year ending June 30, 2005 (hereafter FY-05). Funds budgeted for FY-04 may be encumbered only through June 30, 2004, and must be expended by November 15, 2004. Any funds remaining after November 15, 2004, and not budgeted for FY-05, shall lapse to the credit of the proper fund for the then current fiscal year. Funds budgeted for FY-05 may be encumbered only through June 30, 2005. Any funds remaining after November 15, 2005, shall lapse to the credit of the proper fund for the then current fiscal year. These appropriations may not be budgeted in both fiscal years simultaneously. Funds budgeted in FY-04, and not required to pay obligations for that fiscal year, may be budgeted for FY-05, after the agency to which the funds have been appropriated has prepared and submitted a budget work program revision removing these funds from the FY-04 budget work program and after such revision has been approved by the Office of State Finance.

SECTION 6. This act shall become effective July 1, 2003.

SECTION 7. 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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