

ENGROSSED SENATE AMENDMENT
TO
ENGROSSED HOUSE
BILL NO. 1116

By: Bengé and Newport of the
House

and

Morgan and Crutchfield of
the Senate

An Act relating to the Oklahoma Horse Racing Commission; amending Section 1, Chapter 487, O.S.L. 2004 (3A O.S. Supp. 2004, Section 282), which relates to Oklahoma Horse Racing Commission fees; modifying provisions related to certain assessments; amending Section 2, Chapter 487, O.S.L. 2004, which relates to budget limits for the Oklahoma Horse Racing Commission; modifying budget limits; and declaring an emergency.

AMENDMENT NO. 1. Page 1, strike the title, enacting clause and entire bill and insert

"An Act relating to the Oklahoma Horse Racing Commission; amending Section 1, Chapter 487, O.S.L. 2004 (3A O.S. Supp. 2004, Section 282), which relates to Oklahoma Horse Racing Commission fees; modifying provisions related to certain assessments; authorizing certain fees; providing for certain licenses and activities authorized by certain licenses; amending Section 2, Chapter 487, O.S.L. 2004, which relates to budget limits for the Oklahoma Horse Racing Commission; modifying budget limits; amending Section 3, Chapter 263, O.S.L. 2004, as amended by Section 3, Chapter 487, O.S.L. 2004, which relates to FTE limits; increasing limits; providing for codification; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 1, Chapter 487, O.S.L. 2004 (3A O.S. Supp. 2004, Section 282), is amended to read as follows:

Section 282. A. The Oklahoma Horse Racing Commission is authorized to charge an application fee of Fifty Thousand Dollars (\$50,000.00) to each organization licensee which desires to conduct

gaming pursuant to the State-Tribal Gaming Act or which receives any funds as a "recipient licensee" as that term is defined by the State Tribal Gaming Act and desires to conduct pari-mutuel wagering in this state. Such fee must be paid prior to any organization licensee being authorized by the Oklahoma Horse Racing Commission to conduct gaming pursuant to the State-Tribal Gaming Act.

B. In addition to the application fee authorized in subsection A of this section and the fees authorized in subsection G of this section, the Oklahoma Horse Racing Commission is hereby authorized to assess a fee upon each organization licensee authorized by the State-Tribal Gaming Act to conduct gaming authorized by the State-Tribal Gaming Act to provide adequate funding to the Oklahoma Horse Racing Commission for the regulation of such gaming in this state.

C. The assessment authorized by subsection B shall be proportional to the number of player terminals an organization licensee is licensed to operate pursuant to the State-Tribal Gaming Act.

D. The Commission may provide that each licensee shall pay any assessment levied pursuant to subsection B of this section on a quarterly, semi-annual or annual basis. Notice of the assessment shall be sent by certified mail, return receipt requested, to each licensee. Each licensee shall pay the amount assessed to the Commission for deposit to the Oklahoma Horse Racing Commission Gaming Regulation Revolving Fund created in subsection E of this section. The Commission shall establish the dates by which such assessment shall be due.

E. The application fee authorized in subsection A of this section and any assessment authorized in subsection B of this section and any fee authorized in subsection G of this section collected by the Commission shall be deposited in the "Oklahoma Horse Racing Commission Gaming Regulation Revolving Fund" hereby created. The fund shall be a continuing fund not subject to fiscal

year limitations and shall consist of the monies received by the Commission from any assessment and fee levied pursuant to the provisions of this section and any other monies designated for deposit thereto. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Commission to pay the costs, both direct and indirect, of the Commission incurred to regulate gaming conducted by an organization licensee pursuant to the State-Tribal Gaming Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

F. The Legislature shall establish budgetary limits for the regulation of such gaming by the Commission. For the fiscal year ending June 30, 2005, the total of all assessments levied pursuant to subsection B of this section shall not exceed ~~One Hundred Fifty Thousand Dollars (\$150,000.00)~~ Two Hundred Fifty Thousand Dollars (\$250,000.00). For subsequent fiscal years, the total of all assessments levied pursuant to this section shall not exceed the amount of the total budgetary limits minus the amount of any monies appropriated by the Legislature for such purpose.

G. The Oklahoma Horse Racing Commission shall issue occupation gaming licenses and charge to the applicants therefore the related license application fees, investigative fees and fingerprint fees authorized in this subsection. An occupation gaming license is any of the following gaming licenses issued by the Commission.

<u>Manufacturer License</u>	<u>\$10,000.00</u>
<u>Distributor License</u>	<u>\$5,000.00</u>
<u>Manufacturer/Distributor License</u>	<u>\$10,000.00</u>
<u>Independent Testing Laboratory License</u>	<u>\$5,000.00</u>
<u>Vendor License</u>	<u>\$500.00</u>
<u>Key Executive License</u>	<u>\$250.00</u>
<u>Gaming Employee License</u>	<u>\$50.00</u>

Manufacturer, Distributor, or Manufacturer/

Distributor Employee License \$50.00

Vendor Employee License \$50.00

Background Investigative fee for the following occupation gaming license categories:

Manufacturer, Distributor, Manufacturer/Distributor,

Independent Testing Laboratory, Racetrack Gaming Operator,

Key Executive \$50.00 per hour plus expenses

Background Investigative fee for the following occupation gaming license categories:

Gaming Employee, Vendor Employee \$50.00

Fingerprint fees shall be charged as required by the Oklahoma State Bureau of Investigation and the Federal Bureau of Investigation.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 262.1 of Title 3A, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Horse Racing Commission shall issue occupation gaming licenses to manufacturer, distributor, manufacturer/distributor, vendor, manufacturer's employee, distributor's employee, manufacturer/distributor's employee, key executive, vendor employee, gaming employee and such other personnel designated by the Commission whose work, in whole or in part, is conducted at a gaming facility upon racetrack grounds which are owned by an organization licensee. The occupation gaming licenses shall be obtained prior to the time such persons engage in their vocations at the gaming facility upon such racetrack grounds at any time during the calendar year for which the Racetrack Gaming Operator License has been issued. No person required to be licensed pursuant to the provisions of this section may participate in any capacity at a gaming facility at a racetrack without a valid license authorizing such participation.

B. The activities authorized by the occupation gaming licenses issued pursuant to this section are as follows:

(1) Manufacturer License, which authorizes the approved licensee to manufacture, fabricate, assemble, produce, program, refurbish, or make modification to any gaming machine or device, authorized game, or associated equipment in accordance with the State-Tribal Gaming Act and Commission rules;

(2) Distributor License, which authorizes the approved nonmanufacturer to lease, sell, distribute or market any gaming machine, associated equipment, game program or program storage device in Oklahoma or outside the state in accordance with the State-Tribal Gaming Act and Commission rules; and

(3) Manufacturer/Distributor License, which authorizes the approved licensee to manufacture, fabricate, assemble, produce, refurbish, lease, sell, distribute, market or make modifications to any gaming machine, associated equipment, game program or program storage device in Oklahoma or outside the state in accordance with the State-Tribal Gaming Act and Commission rules;

(4) Vendor License, which authorizes a vendor, not licensed as a manufacturer, distributor, or manufacturer/distributor, that conducts operations on-site at a racetrack gaming facility to sell or lease goods and/or services to racetrack gaming operators.

(5) Manufacturer's Employee License, which authorizes the approved licensee to be an employee of a manufacturer who supplies gaming-related goods and/or services to the racetrack gaming operator on-site at the gaming facility.

(6) Distributor's Employee License, which authorizes the approved licensee to be an employee of a distributor who supplies gaming-related goods and/or services to the racetrack gaming operator on-site at the gaming facility.

(7) Manufacturer/Distributor's Employee License, which authorizes the approved licensee to be an employee of a

manufacturer/distributor who supplies gaming-related goods and/or services to the racetrack gaming operator on-site at the gaming facility.

(8) Key Executive License, which authorizes the recipient to be employed as a key executive.

(9) Vendor Employee License, which authorizes any employee to work for a licensed vendor and supply goods and/or services on-site at the gaming facility.

(10) Gaming Employee License, which authorizes the recipient to be employed as a gaming employee.

(11) Gaming Machine or Device License, which authorizes the racetrack gaming operator to use or have a gaming machine or device on the racetrack premises.

None of these gaming licenses may be transferred, sold, or assigned.

C. Testing laboratories that wish to function as a Commission-approved independent testing laboratory must apply to be issued an Independent Testing Laboratory License. The application must be accompanied by the required application fee and an investigation fee in an amount equal to one-half of the license fee. The application fee shall be Five Thousand Dollars (\$5,000.00).

SECTION 3. AMENDATORY Section 2, Chapter 487, O.S.L. 2004, is amended to read as follows:

Section 2. For the fiscal year ending June 30, 2005, 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	\$ 493,172.00	\$2,093,172.00
Gaming Regulation		350,000.00
		<u>670,800.00</u>
Race Day Expenses	1,110,911.00	1,726,911.00
Law Enforcement	232,087.00	1,832,087.00

Oklahoma Bred Program	<u>22,012.00</u>	<u>262,012.00</u>
TOTAL	\$1,858,182.00	\$6,264,182.00
		<u>\$6,584,982.00</u>

The agency shall develop outcome-based performance measures for each budget category.

SECTION 4. AMENDATORY Section 3, Chapter 263, O.S.L. 2004, as amended by Section 3, Chapter 487, O.S.L. 2004, is amended to read as follows:

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 Oklahoma Horse Racing Commission for the fiscal year ending June 30, 2005, 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	47.0 <u>51.0</u>
Lease-Purchase Agreements	\$0.00

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 19th day of April, 2005.

Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____,
2005.

Presiding Officer of the House
of Representatives