

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 HOUSE BILL 2976

By: Hoskin

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6 AS INTRODUCED

7 An Act relating to amusements and sports; amending 3A
8 O.S. 2001, Section 205.2, which relates to horse
9 racing; redirecting funds to certain fund; limiting
10 amount to be redirected; specifying fund for deposit;
11 amending 3A O.S. 2001, Section 404, which relates to
horse racing; redirecting funds to certain fund;
limiting amount to be redirected; specifying fund for
deposit; providing an effective date; and declaring
an emergency.

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

15 SECTION 1. AMENDATORY 3A O.S. 2001, Section 205.2, is
16 amended to read as follows:

17 Section 205.2 A. Applications for organization licenses must
18 be filed with the Commission at a time and place prescribed by the
19 rules and regulations of the Commission. Beginning with
20 organization license applications for the 1994 calendar year, the
21 Commission shall develop and use separate application forms for
22 applicants requesting an organization license to conduct horse
23 racing with the pari-mutuel system of wagering and applicants
24 requesting an organization license to conduct horse racing without

1 the pari-mutuel system of wagering. For use for the 1993 calendar
2 year organization licenses, an applicant requesting to conduct horse
3 racing without the pari-mutuel system of wagering shall make
4 application with the Commission on American Quarter Horse
5 Association application forms. Applications for an organization
6 license to conduct horse racing without the pari-mutuel system of
7 wagering for the 1993 calendar year shall be filed with the
8 Commission on or before the 1st day of August, 1992. Each applicant
9 requesting an organization license to conduct horse racing with the
10 pari-mutuel system of wagering shall include with each application a
11 nonrefundable license fee equal to the sum of Five Thousand Dollars
12 (\$5,000.00) for each race meeting and Two Hundred Dollars (\$200.00)
13 for each racing day requested. Provided, the fee for Five Thousand
14 Dollars (\$5,000.00) shall be waived for applicants applying pursuant
15 to the provisions of Section 208.2 of this title. Each applicant
16 requesting an organization license to conduct horse racing without
17 the pari-mutuel system of wagering or to conduct accredited work or
18 training races shall include with each application a nonrefundable
19 license fee of Five Hundred Dollars (\$500.00) for each race meeting.
20 Such fee shall be in the form of a certified check or bank draft
21 payable to the order of the Commission. Within thirty (30) days
22 after the date specified for filing, the Commission shall examine
23 the applications for compliance with the provisions of the Oklahoma
24 Horse Racing Act and such rules and regulations as may be

1 promulgated by the Commission. If any application does not comply
2 with the provisions of the Oklahoma Horse Racing Act or the rules
3 and regulations promulgated by the Commission, the application may
4 be rejected or the Commission may direct the applicant to comply
5 with the provisions of the Oklahoma Horse Racing Act or the rules
6 and regulations of the Commission within a reasonable time as
7 determined by the Commission. Upon proof by the applicant of
8 compliance, the Commission may reconsider the application. If it is
9 found to be in compliance with the provisions of the Oklahoma Horse
10 Racing Act and the rules and regulations of the Commission, the
11 Commission may then issue an organization license to the applicant.

12 B. The Commission may exercise discretion in the issuing of
13 organization licenses to qualified applicants. The Commission may
14 also determine and grant racing dates different from those requested
15 by the applicants in their applications.

16 C. The Commission may determine and grant the number of racing
17 days to be allotted to each applicant. When granting organization
18 licenses and allocating dates for race meetings which will, in the
19 judgment of the Commission, be conducive to the best interests of
20 the public and the sport of horse racing, the Commission shall give
21 consideration to:

22 1. The character, reputation, experience, and financial
23 integrity of each applicant and of any other person that:

24 a. directly or indirectly controls such applicant, or

1 b. is directly or indirectly controlled by such applicant
2 or by a person who directly or indirectly controls
3 such applicant; and

4 2. The facilities and accommodations of the applicant for the
5 conduct of race meetings; and

6 3. The location of the race meeting of the applicant in
7 relation to the principal centers of population of this state; and

8 4. The highest prospective total revenue to be derived by the
9 state from the conduct of the race meeting.

10 D. Prior to the issuance of an organization license to conduct
11 pari-mutuel race meetings, the applicant shall file with the
12 Commission a bond payable to the State of Oklahoma in an amount
13 determined by the Commission which is not less than Two Hundred
14 Thousand Dollars (\$200,000.00) and not more than the total financial
15 liability of the organization licensee throughout the race meeting
16 for which the organization license is requested, executed by the
17 applicant and a surety company or companies authorized to do
18 business in this state, and conditioned upon the payment by the
19 organization licensee of all taxes and other monies due and payable
20 pursuant to the provisions of the Oklahoma Horse Racing Act and all
21 purses due and payable, and upon the fact that, upon presentation of
22 winning tickets, the organization licensee will distribute all sums
23 due to the patrons of pari-mutuel pools. The financial liabilities
24 incurred by the organization licensee in the form of real estate

1 mortgages shall not be included in the determination of the bond
2 amount.

3 E. The Commission shall notify each applicant of the racing
4 dates allotted to such applicant. The notice shall be in writing
5 and sent by registered mail to the applicant at the address stated
6 in the Application. The notice shall be mailed within two (2)
7 business days of the date the allotment is made. After the mailing
8 of such notice of allotment, each applicant shall file with the
9 Commission within ten (10) days an acceptance of such allotment on a
10 form prescribed and furnished by the Commission.

11 F. Each organization license shall specify the name of the
12 person to whom it is issued, the dates upon which horse racing is
13 permitted, and the location, place, track, or enclosure where the
14 race meeting is to be held.

15 G. All employees of an organization licensee shall be citizens
16 of the United States, and not less than ninety percent (90%) of such
17 employees shall be residents of this state for not less than
18 eighteen (18) months immediately preceding such employment.

19 H. All horse racing conducted pursuant to the provisions of an
20 organization license is subject to the provisions of the Oklahoma
21 Horse Racing Act and of the rules, regulations and directives
22 promulgated by the Commission, and every organization license issued
23 by the Commission shall contain a statement to that effect.

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1 I. Any organization licensee may provide, with prior approval
2 by the Commission, that at least one horse race a day may be devoted
3 to the racing of a type of horse which is different from the type of
4 horse being raced in the other races conducted by the organization
5 licensee on that day. When scheduled races are trial heats for
6 futurities or stakes races electronically timed from the starting
7 gates, no organization licensee shall move the starting gates or
8 allow the starting gates to be moved until all trial heats are
9 complete, except in an emergency as determined by the stewards.

10 J. Organization licenses may be revoked if the organization
11 licensee or any person owning an interest in the organization
12 licensee:

13 1. Violates any provision of the Oklahoma Horse Racing Act; or

14 2. Violates any provision of the rules and regulations
15 promulgated pursuant to the provisions of the Oklahoma Horse Racing
16 Act; or

17 3. Has been convicted of a felony; or

18 4. Has been convicted of violating any law regarding gambling
19 or controlled dangerous substances of the United States, this state,
20 or any other state; or

21 5. Has failed to disclose or has stated falsely any information
22 contained in the application; or

23 6. Has concealed in whole or in part the true ownership of the
24 organization licensee.

1 Any organization license revocation proceeding shall be
2 conducted pursuant to the provisions of Sections 301 through 326 of
3 Title 75 of the Oklahoma Statutes.

4 K. The first One Million Five Hundred Thousand Dollars
5 (\$1,500,000.00) in fees received by the Commission pursuant to the
6 provisions of this section shall be deposited to the credit of the
7 County Improvements for Roads and Bridges Fund of the State Treasury
8 created in Section 507 of Title 69 of the Oklahoma Statutes. The
9 remaining fees received by the Commission pursuant to the provisions
10 of this section shall be deposited to the credit of the General
11 Revenue Fund of the State Treasury.

12 L. The provisions of the Oklahoma Horse Racing Act and rules
13 promulgated by the Commission shall apply to an organization
14 licensee during the entire calendar year in which the license was
15 issued.

16 SECTION 2. AMENDATORY 3A O.S. 2001, Section 404, is
17 amended to read as follows:

18 Section 404. A. All licenses issued pursuant to the provisions
19 of the Oklahoma Charity Games Act shall be valid for one (1) year
20 from the date of issue.

21 B. A license issued by the Commission shall not be
22 transferable, sold, leased or assigned under any circumstances.

23 C. A license shall not be issued to any organization if an
24 officer thereof has been convicted of or pled guilty or nolo

1 | contendere to any felony, or a misdemeanor related to gambling or
2 | gaming, pursuant to the laws of the United States, the District of
3 | Columbia or any state or territory of the United States.

4 | D. A license shall not be issued to any person who has been
5 | convicted of or pled guilty or nolo contendere to any felony, or a
6 | misdemeanor related to gambling or gaming, pursuant to the laws of
7 | the United States, the District of Columbia or any state or
8 | territory of the United States.

9 | E. The initial and renewal fees for licenses authorized by the
10 | Oklahoma Charity Games Act shall be as follows:

- 11 | 1. Organization License - One Hundred Dollars (\$100.00);
- 12 | 2. Distributor License - Five Thousand Dollars (\$5,000.00);
- 13 | 3. Manufacturer License - Two Thousand Dollars (\$2,000.00);
- 14 | 4. Employee License - Fifteen Dollars (\$15.00); and
- 15 | 5. Manager License - Fifty Dollars (\$50.00).

16 | F. ~~All~~ The first Five Hundred Thousand Dollars (\$500,000.00) in
17 | fees received by the Commission pursuant to this section shall be
18 | forwarded to the State Treasurer for deposit in the County
19 | Improvements for Roads and Bridges Fund created in Section 507 of
20 | Title 69 of the Oklahoma Statutes. The remaining fees received by
21 | the Commission pursuant to the provisions of this section shall be
22 | forwarded to the State Treasurer for deposit in the General Revenue
23 | Fund.

24 | SECTION 3. This act shall become effective July 1, 2008.

1 SECTION 4. It being immediately necessary for the preservation
2 of the public peace, health and safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

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