

1 ENGROSSED SENATE
2 BILL NO. 820

By: Nichols of the Senate
and
Terrill of the House

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7 [amusements and sports - Oklahoma Breeding
8 Development Fund Special Account -
9 effective date]
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11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. AMENDATORY 3A O.S. 2001, Section 208.3, as
13 last amended by Section 3, Chapter 274, O.S.L. 2006 (3A O.S. Supp.
14 2008, Section 208.3), is amended to read as follows:

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

1 section. Expenditures from ~~said~~ the fund shall be made upon
2 vouchers prescribed by the State Treasurer and issued by the
3 Commission against the Oklahoma Breeding Development Fund Special
4 Account. The official registering agency designated by the
5 Commission pursuant to subsection D of this section shall verify the
6 current eligibility of a participating horse prior to distributing
7 any purse supplement, stake, reward or award from the Oklahoma
8 Breeding Development Fund Special Account. Any person entitled to
9 monies from the Oklahoma Breeding Development Fund Special Account
10 as a purse supplement, stake, reward, or award ("awards"), will
11 forfeit such monies if that person fails to comply with all
12 requirements necessary for earning the awards. Further, any such
13 person will forfeit such monies if, within one (1) year from the
14 date of the race in which such award was earned, that person does
15 not submit the state voucher for payment or for replacement in the
16 event of an expired voucher, or if that person fails to submit all
17 documentation required by the Oklahoma Horse Racing Commission. In
18 such event, monies accrued from forfeiture will be returned to the
19 Oklahoma Breeding Development Fund Special Account for expenditure
20 by the Commission for the purposes specified in subsection B of this
21 section.

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

- 1 1. To provide purse supplements to owners of Oklahoma-bred
2 horses;
- 3 2. To provide stakes and rewards to be paid to the owners of
4 the winning Oklahoma-bred horses in certain horse races;
- 5 3. To provide stallion awards to the owner of the Oklahoma
6 stallion which is the sire of an Oklahoma-bred horse if such a horse
7 wins any race conducted at a race meeting;
- 8 4. To provide breeders awards to the owner of the Oklahoma-
9 registered mare which is the dam of an Oklahoma-bred horse if such a
10 horse wins any race conducted at a race meeting;
- 11 5. To provide monies for equine research through state
12 institutions accredited for the same;
- 13 6. To provide monies for use in marketing, promoting and
14 advertising the Oklahoma-Bred Program and the Oklahoma horse racing
15 industry to the people of Oklahoma, the United States and abroad;
16 ~~and~~
- 17 7. To provide for the administration of the Oklahoma Breeding
18 Development Program. The Oklahoma Horse Racing Commission is hereby
19 authorized to utilize up to ~~ten~~ fifteen percent ~~(10%)~~ (15%) of the
20 prior year's receipts for administration. All expenses reimbursed
21 as administrative pursuant to this subsection shall be itemized and
22 audited pursuant to subsection E of this section. Any monies
23 transferred from the Oklahoma Breeding Development Fund Special
24 Account to the Oklahoma Breeding Development Revolving Fund for

1 administrative reimbursement found to be unsubstantiated, excessive
2 or ineligible for reimbursement by ~~said~~ the audit shall be returned
3 to the Oklahoma Breeding Development Fund Special Account within
4 thirty (30) days of the conclusion of the audit; and

5 8. To provide funding to any nonprofit entity that is exempt
6 from taxation pursuant to the provisions of the United States
7 Internal Revenue Code, 26 U.S.C. Section 501(c), for the purpose of
8 providing care of retired and unwanted Oklahoma-bred racing stock.

9 C. By rule the Commission shall:

10 1. Define the term Oklahoma-bred horse;

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

13 3. Provide for the registration of Oklahoma-domiciled mares and
14 stallions and Oklahoma-bred horses. No such horse shall compete in
15 the races limited to Oklahoma-bred horses unless registered with the
16 Commission. The Commission may prescribe such forms as are
17 necessary to determine the eligibility of such horses; provided,
18 breeding stallions shall be eligible for registration in the
19 Oklahoma-bred breeding program until July 1 of the breeding year.

20 No person shall knowingly prepare or cause preparation of an
21 application for registration of such foals which contains false
22 information;

23 4. Establish a schedule of fees for the registration of
24 Oklahoma-domiciled mares and stallions and Oklahoma-bred horses

1 sufficient to provide for all expenses incurred in the
2 administration of the Oklahoma Breeding Development Fund Special
3 Account; ~~and~~

4 5. Allow a mare registered as Oklahoma-bred racing stock which
5 has not been registered as an Oklahoma broodmare prior to foaling to
6 be registered as an Oklahoma broodmare upon payment of the
7 registration fee and a late fee not to exceed Two Hundred Dollars
8 (\$200.00), which action shall entitle the foals of the mare to be
9 registered as Oklahoma-bred horses provided all other qualifications
10 of the Commission are met; and

11 6. Establish criteria which a nonprofit entity must meet to be
12 eligible to receive funds for the purpose of caring for retired and
13 unwanted Oklahoma-bred racing stock.

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

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

7 SECTION 2. This act shall become effective November 1, 2009.

8 Passed the Senate the 10th day of March, 2009.

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Presiding Officer of the Senate

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12 Passed the House of Representatives the ____ day of _____,
13 2009.

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Presiding Officer of the House
of Representatives

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