

1 ENGROSSED HOUSE
2 BILL NO. 1836

By: Osborn (Leslie) and Bennett
(John) of the House

3 and

4 David of the Senate
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7 An Act relating to amusements and sports; amending 3A
8 O.S. 2011, Section 262, which relates to certain
9 organization licensees; modifying provisions related
10 to authorized gaming; modifying authorized operating
11 hours; providing an effective date; and declaring an
12 emergency.

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

13 SECTION 1. AMENDATORY 3A O.S. 2011, Section 262, is
14 amended to read as follows:

15 Section 262. A. If at least four Indian tribes enter into the
16 model tribal-state compact set forth in Section 281 of this title,
17 and such compacts are approved by the Secretary of the Interior and
18 notice of such approval is published in the Federal Register, the
19 Oklahoma Horse Racing Commission ("Commission") shall license
20 organization licensees which are licensed pursuant to Section 205.2
21 of this title to conduct authorized gaming as that term is defined
22 by this act pursuant to this act utilizing gaming machines or
23 devices authorized by this act subject to the limitations of
24 subsection C of this section. No fair association or organization

1 licensed pursuant to Section 208.2 of this title or a city, town or
2 municipality incorporated or otherwise, or an instrumentality
3 thereof, may conduct authorized gaming as that term is defined by
4 this act.

5 Notwithstanding the provisions of Sections 941 through 988 of
6 Title 21 of the Oklahoma Statutes, the conducting of and
7 participation in gaming in accordance with the provisions of this
8 act or the model compact set forth in Section 281 of this title is
9 lawful and shall not be subject to any criminal penalties. Provided
10 further, a licensed manufacturer or distributor licensed pursuant to
11 this act may manufacture, exhibit or store as a lawful activity any
12 machines or devices which are capable of being used to conduct the
13 following types of gaming:

- 14 1. Gaming authorized by the State-Tribal Gaming Act; or
- 15 2. Other gaming which may be lawfully conducted by an Indian
16 tribe in this state.

17 B. ~~Authorized~~ Except for Christmas Day, authorized gaming may
18 only be conducted by an organization licensee on days when the
19 licensee is either conducting live racing or is accepting wagers on
20 simulcast races at the licensee's racing facilities. ~~In any week,~~
21 ~~authorized gaming may be conducted for not more than one hundred six~~
22 ~~(106) total hours, with not more than eighteen (18) hours in any~~
23 ~~twenty-four hour period.~~ Authorized gaming may only be conducted by
24 organization licensees at enclosure locations where live racing is

1 conducted. Under no circumstances shall authorized gaming be
2 conducted by an organization licensee at any facility outside the
3 organization licensee's racing enclosure. No person who would not
4 be eligible to be a patron of a pari-mutuel system of wagering
5 pursuant to the provisions of subsection B of Section 208.4 of this
6 title shall be admitted into any area of a facility when authorized
7 games are played nor be permitted to operate, or obtain a prize
8 from, or in connection with, the operation of any authorized game,
9 directly or indirectly.

10 C. In order to encourage the growth, sustenance and development
11 of live horse racing in this state and of the state's agriculture
12 and horse industries, the Commission is hereby authorized to issue
13 licenses to conduct authorized gaming to no more than three (3)
14 organization licensees operating racetrack locations at which horse
15 race meetings with pari-mutuel wagering, as authorized by the
16 Commission pursuant to the provisions of this title, occurred in
17 calendar year 2001, as follows:

18 1. An organization licensee operating a racetrack location at
19 which an organization licensee is licensed to conduct a race meeting
20 pursuant to the provisions of Section 205.2 of this title located in
21 a county with a population exceeding six hundred thousand (600,000)
22 persons, according to the most recent federal decennial census,
23 shall be licensed to operate not more than six hundred fifty (650)
24 player terminals in any year. Beginning with the third year after

1 an organization licensee is licensed pursuant to this paragraph to
2 operate such player terminals, such licensee may be licensed to
3 operate an additional fifty (50) player terminals. Beginning with
4 the fifth year after an organization licensee is licensed pursuant
5 to this paragraph to operate such player terminals, such licensee
6 may be licensed to operate a further additional fifty (50) player
7 terminals; and

8 2. Two organization licensees operating racetrack locations at
9 which the organization licensees are licensed to conduct race
10 meetings pursuant to the provisions of Section 205.2 of this title
11 located in counties with populations not exceeding four hundred
12 thousand (400,000) persons, according to the most recent federal
13 decennial census, may each be licensed to operate not more than two
14 hundred fifty (250) player terminals in any year.

15 Subject to the limitations on the number of player terminals
16 permitted to each organization licensee, an organization licensee
17 may utilize electronic amusement games as defined in this act,
18 electronic bonanza-style bingo games as defined in this act and
19 electronic instant bingo games as defined in this act, and any type
20 of gaming machine or device that is specifically allowed by law and
21 that an Indian tribe in this state is authorized to utilize pursuant
22 to a compact entered into between the state and the tribe in
23 accordance with the provisions of the Indian Gaming Regulatory Act
24 and any other machine or device that an Indian tribe in this state

1 is lawfully permitted to operate pursuant to the Indian Gaming
2 Regulatory Act, referred to collectively as "authorized games". An
3 organization licensee's utilization of such machines or devices
4 shall be subject to the regulatory control and supervision of the
5 Commission; provided, the Commission shall have no role in oversight
6 and regulation of gaming conducted by a tribe subject to a compact.
7 The Commission shall promulgate rules to regulate the operation and
8 use of authorized gaming by organization licensees. In promulgating
9 such rules, the Commission shall consider the provisions of any
10 compact which authorizes electronic gaming which is specifically
11 authorized by law by an Indian tribe. For the purpose of paragraphs
12 1 and 2 of this subsection, the number of player terminals in an
13 authorized game that permits multiple players shall be determined by
14 the maximum number of players that can participate in that game at
15 any given time; provided, however, that nothing in this act
16 prohibits the linking of player terminals for progressive jackpots,
17 so long as the limitations on the number of permitted player
18 terminals at each organization licensee are not exceeded. Each
19 organization licensee shall keep a record of, and shall report at
20 least quarterly to the Oklahoma Horse Racing Commission, the number
21 of games authorized by this section utilized in the organization
22 licensee's facility, by the name or type of each and its identifying
23 number.

1 D. No zoning or other local ordinance may be adopted or amended
2 by a political subdivision where an organization licensee conducts
3 live horse racing with the intent to restrict or prohibit an
4 organization licensee's right to conduct authorized gaming at such
5 location.

6 E. For purposes of this act, "adjusted gross revenues" means
7 the total receipts received by an organization licensee from the
8 play of all authorized gaming minus all monetary payouts.

9 F. The Oklahoma Horse Racing Commission shall promulgate rules
10 to regulate, implement and enforce the provisions of this act with
11 regard to the conduct of authorized gaming by organization
12 licensees; provided, regulation and oversight of games covered by a
13 compact and operated by an Indian tribe shall be conducted solely
14 pursuant to the requirements of the compact.

15 G. If an organization licensee operates or attempts to operate
16 more player terminals which offer authorized games than it is
17 authorized to offer to the public by this act or the terms of its
18 license, upon written notice from the Commission, such activity
19 shall cease forthwith. Such activity shall constitute a basis upon
20 which the Commission may suspend or revoke the licensee's license.
21 The Commission shall promulgate any rules and regulations necessary
22 to enforce the provisions of this subsection.

23 H. This act is game-specific and shall not be construed to
24 allow the operation of any other form of gaming unless specifically

1 allowed by this act. This act shall not permit the operation of
2 slot machines, dice games, roulette wheels, house-banked card games
3 or games where winners are determined by the outcome of a sports
4 contest.

5 SECTION 2. This act shall become effective July 1, 2017.

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

10 Passed the House of Representatives the 13th day of March, 2017.

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Presiding Officer of the House
of Representatives

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Passed the Senate the ____ day of _____, 2017.

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Presiding Officer of the Senate

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