

1 ENGROSSED HOUSE
2 BILL NO. 1858

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

3 and

4 David of the Senate
5
6

7 An Act relating to amusements and sports; creating
8 the Oklahoma Horse Racing Commission Operational
9 Expenses Revolving Fund; providing for deposit of
10 monies to fund; imposing requirements with respect to
11 the Oklahoma Horse Racing Commission Operational
12 Expenses Revolving Fund; imposing initial budget
13 amount; providing for modifications to budget amount;
14 prescribing procedures for approval of budget
15 modifications by certain entities; defining term;
16 imposing duties upon Oklahoma Horse Racing Commission
17 with respect to Operational Expenses Revolving Fund
18 Retention Percentage; prescribing range of authorized
19 percentages; providing for adjustment; requiring
20 estimate of operating expenses; imposing standard
21 with respect to expenses; amending 3A O.S. 2011,
22 Section 204.2, which relates to certain occupation
23 licenses; providing for apportionment of occupation
24 license fees to the Oklahoma Horse Racing Commission
Operational Expenses Revolving Fund; amending 3A O.S.
2011, Section 205.2, which relates to organization
licenses; providing for apportionment of fees to the
Oklahoma Horse Racing Commission Operational Expenses
Revolving Fund; amending 3A O.S. 2011, Section 205.6,
which relates to certain pari-mutuel system of
wagering; providing for apportionment of certain
revenues to the Oklahoma Horse Racing Commission
Operational Expenses Revolving Fund; modifying
apportionments to the General Revenue Fund; amending
3A O.S. 2011, Section 263, which relates to
distributions and payments by licensees; providing
for apportionment of certain amounts to the Oklahoma
Horse Racing Commission Operational Expenses
Revolving Fund; prescribing time limit for
apportionment of revenues; providing for
determinations by the Oklahoma Horse Racing

1 Commission regarding revenue percentages; providing
2 for adjustments to gaming revenues to be retained by
3 organization licensees based upon Commission
4 determinations; modifying revenue apportionments;
5 imposing duty on organization licensees with respect
6 to books and records; authorizing Oklahoma Tax
7 Commission to have access to records; requiring
8 verified reports with respect to gaming revenues;
9 authorizing Oklahoma Horse Racing Commission to
10 provide repayment of certain amounts from designated
11 funds; amending 3A O.S. 2011, Section 282, as amended
12 by Section 25, Chapter 304, O.S.L. 2012 (3A O.S.
13 Supp. 2016, Section 282), which relates to certain
14 fees and the Oklahoma Horse Racing Commission Gaming
15 Regulation Revolving Fund; modifying reference to
16 fund; providing for deposit of fees into Oklahoma
17 House Racing Commission Operational Expenses
18 Revolving Fund; providing for transfer of funds;
19 repealing 3A O.S. 2011, Section 204.1A, which relates
20 to the Oklahoma Horse Racing Commission Revolving
21 Fund; providing for codification; providing an
22 effective date; and declaring an emergency.

23
24 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 204.1C of Title 3A, unless there
is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund
for the Oklahoma Horse Racing Commission to be designated as the
"Oklahoma Horse Racing Commission Operational Expenses Revolving
Fund". The fund shall be a continuing fund, not subject to fiscal
year limitations or reconciliation, and shall consist of all monies
received by the Oklahoma Horse Racing Commission from revenues
apportioned to the fund by Sections 205.6 and 263 of Title 3A of the

1 Oklahoma Statutes, together with all monies from fines, fees,
2 reimbursements, assessments and sale of materials which are
3 collected or received by the Commission and all monies retained by
4 the Commission under the provisions of Title 3A of the Oklahoma
5 Statutes. All monies accrued to the credit of the fund are hereby
6 appropriated and may be budgeted and expended by the Commission to
7 pay the costs, both direct and indirect, of the Commission.
8 Expenditures from said fund shall be made upon warrants issued by
9 the State Treasurer against claims filed as prescribed by law with
10 the Director of the Office of Management and Enterprise Services for
11 approval and payment.

12 SECTION 2. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 204.1D of Title 3A, unless there
14 is created a duplication in numbering, reads as follows:

15 A. The Oklahoma Horse Racing Commission Operational Expenses
16 Revolving Fund shall be used to fund the operations of the Oklahoma
17 Horse Racing Commission within the limits of the budget (Budget).

18 B. The Budget for the initial fiscal year of this act shall be
19 established by vote at a Commission meeting and shall not exceed
20 Three Million Three Hundred Thousand Dollars (\$3,300,000.00). The
21 Budget for subsequent years shall be established by vote at a
22 Commission meeting and may be increased as follows: any amount equal
23 to the initial fiscal year budget under this act multiplied by the
24 percentage by which the CPI Index on January 1 of the budget year

1 exceeds the CPI Index of the previous year; or by an amount agreed
2 to by the organization licensees described in paragraphs 1 and 2 of
3 subsection C of Section 262 of Title 3A of the Oklahoma Statutes and
4 the official horsemen's representative organizations described in
5 Section 267 of Title 3A of the Oklahoma Statutes by vote at a
6 Commission meeting. "CPI" means the most recent all-items consumer
7 price index for all-urban consumers for the United States City
8 Average published by the United States Department of Labor. Consent
9 to the increase in the budget amount for the Oklahoma Horse Racing
10 Commission by the organization licensees and the official horsemen's
11 representative organizations authorized by this subsection may be
12 communicated to the Oklahoma Horse Racing Commission either through
13 a resolution of the governing board of each such licensee and each
14 such representative organization or through a communication
15 authorized to be made by the governing board of each such licensee
16 and each such representative organization by a chief executive
17 officer or authorized employee or authorized agent of the
18 organization licensee or representative organization in such form
19 and at such time as may be mutually agreeable to the Oklahoma Horse
20 Racing Commission and the respective licensee or representative
21 organization.

22 C. The Oklahoma Horse Racing Commission shall establish the
23 percentage of adjusted gross gaming revenues necessary for providing
24 adequate operational expenses (Operational Expenses Revolving Fund

Retention Percentage) by vote at a Commission meeting. The Operational Expenses Revolving Fund Retention Percentage shall be no less than one-half of one percent (0.5%) and no more than three percent (3%) of adjusted gross gaming revenues, as outlined in subsections A through G of Section 263 of Title 3A of the Oklahoma Statutes. For any subsequent quarter of a year, the Commission may adjust the Operational Expenses Revolving Fund Retention Percentage by a vote at a Commission meeting in accordance with the budget limitations established herein. In establishing the Operational Expenses Revolving Fund Retention Percentage, the Commission must attempt to set the rate to meet the estimated operating needs for the budget year, such that funds are available for operations but funds in excess of operating needs are minimized.

SECTION 3. AMENDATORY 3A O.S. 2011, Section 204.2, is amended to read as follows:

Section 204.2 A. The Oklahoma Horse Racing Commission shall issue occupation licenses to horse owners, trainers, jockeys, agents, apprentices, grooms, exercise persons, veterinarians, valets, blacksmiths, concessionaires, stewards, starters, timers, judges, supervisors of mutuels, guards, and such other personnel designated by the Commission whose work, in whole or in part, is conducted upon racetrack grounds which are owned by an organization licensee. The licenses shall be obtained prior to the time such persons engage in their vocations upon such racetrack grounds at any

1 time during the calendar year for which the organization license has
2 been issued. No person required to be licensed pursuant to the
3 provisions of this section may participate in any capacity in any
4 race meeting without a valid license authorizing such participation.

5 B. Each application for an occupation license shall be on a
6 form prescribed and furnished by the Commission and shall include a
7 search waiver. The license shall be renewed either annually or
8 triennially beginning January 1. The application shall be
9 accompanied by a fee in an amount of not more than One Hundred
10 Dollars (\$100.00) if renewed annually or not more than Three Hundred
11 Dollars (\$300.00) if renewed triennially. Each application shall
12 contain the following information concerning the applicant:

- 13 1. Full name and address;
- 14 2. Age;
- 15 3. Whether the applicant was issued any prior occupation
16 license from this state;
- 17 4. Whether the applicant was issued any occupation license from
18 another state;
- 19 5. Whether an occupation license from another state is or has
20 been denied, suspended, or revoked;
- 21 6. Whether the applicant has been convicted of a felony in this
22 state or any other state as established by a national criminal
23 history record check as defined by Section 150.9 of Title 74 of the
24 Oklahoma Statutes; and

1 7. Such other information as required by the Commission.

2 C. The Commission may refuse an occupation license to any
3 person:

4 1. Who has been convicted of a felony; or

5 2. Who has been convicted of violating any law regarding
6 gambling or controlled dangerous substances of the United States,
7 this state, or any other state; or

8 3. Who is unqualified to perform the duties required of the
9 applicant; or

10 4. Who fails to disclose or states falsely any information
11 required in the application; or

12 5. Who has been found guilty of a violation of any provision of
13 the Oklahoma Horse Racing Act or of the rules and regulations of the
14 Commission; or

15 6. Whose license has been suspended, revoked, or denied for
16 just cause in any other state.

17 D. The Commission may suspend or revoke any occupation license
18 or fine an occupation licensee for:

19 1. Violation of any of the provisions of the Oklahoma Horse
20 Racing Act; or

21 2. Violation of any provision of the rules or regulations of
22 the Commission; or
23
24

1 3. Any cause which, if known to the Commission, would have
2 justified the refusal of the Commission to issue the occupation
3 license; or

4 4. Any other just cause as determined by the Commission.

5 E. ~~Except as provided for in this subsection, the license fees~~
6 ~~received by the Commission pursuant to the provisions of this~~
7 ~~section shall be deposited to the credit of the General Revenue Fund~~
8 ~~of the State Treasury.~~ Of the original application fee for an
9 occupation license, the amount of the fingerprinting fee shall be
10 deposited in the OSBI Revolving Fund. The remainder shall be
11 apportioned to the Oklahoma Horse Racing Commission Operational
12 Expenses Revolving Fund.

13 F. Notwithstanding any other provision of the Oklahoma Horse
14 Racing Act, Section 200 et seq. of this title, licenses for
15 personnel specified in subsection A of this section whose work is
16 limited to racetrack grounds which are owned by an organization
17 licensee which only conducts non-pari-mutuel race meetings or
18 training races shall be issued pursuant to rules adopted by the
19 Commission in accordance with the American Quarter Horse Association
20 rules.

21 G. The Commission may promulgate rules to facilitate and
22 promote uniform, reciprocal occupation licensing with other
23 jurisdictions.

1 H. Nothing in the Oklahoma Horse Racing Act or rules
2 promulgated pursuant thereto shall prohibit or be construed as
3 prohibiting issuance of any ~~occupational~~ occupation license solely
4 because the applicant is an organizational licensee or racetrack
5 owner or holds an interest in a ~~race-track~~ racetrack.

6 SECTION 4. AMENDATORY 3A O.S. 2011, Section 205.2, is
7 amended to read as follows:

8 Section 205.2 A. Applications for organization licenses must
9 be filed with the Commission at a time and place prescribed by the
10 rules and regulations of the Commission. Beginning with
11 organization license applications for the 1994 calendar year, the
12 Commission shall develop and use separate application forms for
13 applicants requesting an organization license to conduct horse
14 racing with the pari-mutuel system of wagering and applicants
15 requesting an organization license to conduct horse racing without
16 the pari-mutuel system of wagering. For use for the 1993 calendar
17 year organization licenses, an applicant requesting to conduct horse
18 racing without the pari-mutuel system of wagering shall make
19 application with the Commission on American Quarter Horse
20 Association application forms. Applications for an organization
21 license to conduct horse racing without the pari-mutuel system of
22 wagering for the 1993 calendar year shall be filed with the
23 Commission on or before the 1st day of August, 1992. Each applicant
24 requesting an organization license to conduct horse racing with the

1 pari-mutuel system of wagering shall include with each application a
2 nonrefundable license fee equal to the sum of Five Thousand Dollars
3 (\$5,000.00) for each race meeting and Two Hundred Dollars (\$200.00)
4 for each racing day requested. Provided, the fee for Five Thousand
5 Dollars (\$5,000.00) shall be waived for applicants applying pursuant
6 to the provisions of Section 208.2 of this title. Each applicant
7 requesting an organization license to conduct horse racing without
8 the pari-mutuel system of wagering or to conduct accredited work or
9 training races shall include with each application a nonrefundable
10 license fee of Five Hundred Dollars (\$500.00) for each race meeting.
11 Such fee shall be in the form of a certified check or bank draft
12 payable to the order of the Commission. Within thirty (30) days
13 after the date specified for filing, the Commission shall examine
14 the applications for compliance with the provisions of the Oklahoma
15 Horse Racing Act and such rules and regulations as may be
16 promulgated by the Commission. If any application does not comply
17 with the provisions of the Oklahoma Horse Racing Act or the rules
18 and regulations promulgated by the Commission, the application may
19 be rejected or the Commission may direct the applicant to comply
20 with the provisions of the Oklahoma Horse Racing Act or the rules
21 and regulations of the Commission within a reasonable time as
22 determined by the Commission. Upon proof by the applicant of
23 compliance, the Commission may reconsider the application. If it is
24 found to be in compliance with the provisions of the Oklahoma Horse

1 Racing Act and the rules and regulations of the Commission, the
2 Commission may then issue an organization license to the applicant.

3 B. The Commission may exercise discretion in the issuing of
4 organization licenses to qualified applicants. The Commission may
5 also determine and grant racing dates different from those requested
6 by the applicants in their applications.

7 C. The Commission may determine and grant the number of racing
8 days to be allotted to each applicant. When granting organization
9 licenses and allocating dates for race meetings which will, in the
10 judgment of the Commission, be conducive to the best interests of
11 the public and the sport of horse racing, the Commission shall give
12 consideration to:

13 1. ~~the~~ The character, reputation, experience, and financial
14 integrity of each applicant and of any other person that:

15 a. directly or indirectly controls such applicant, or

16 b. is directly or indirectly controlled by such applicant
17 or by a person who directly or indirectly controls
18 such applicant; and

19 2. ~~the~~ The facilities and accommodations of the applicant for
20 the conduct of race meetings; and

21 3. ~~the~~ The location of the race meeting of the applicant in
22 relation to the principal centers of population of this state; and

23 4. ~~the~~ The highest prospective total revenue to be derived by
24 the state from the conduct of the race meeting.

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

18 E. The Commission shall notify each applicant of the racing
19 dates allotted to such applicant. The notice shall be in writing
20 and sent by registered mail to the applicant at the address stated
21 in the application. The notice shall be mailed within two (2)
22 business days of the date the allotment is made. After the mailing
23 of such notice of allotment, each applicant shall file with the
24

1 Commission within ten (10) days an acceptance of such allotment on a
2 form prescribed and furnished by the Commission.

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

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

11 H. All horse racing conducted pursuant to the provisions of an
12 organization license is subject to the provisions of the Oklahoma
13 Horse Racing Act and of the rules, regulations and directives
14 promulgated by the Commission, and every organization license issued
15 by the Commission shall contain a statement to that effect.

16 I. Any organization licensee may provide, with prior approval
17 by the Commission, that at least one horse race a day may be devoted
18 to the racing of a type of horse which is different from the type of
19 horse being raced in the other races conducted by the organization
20 licensee on that day. When scheduled races are trial heats for
21 futurities or stakes races electronically timed from the starting
22 gates, no organization licensee shall move the starting gates or
23 allow the starting gates to be moved until all trial heats are
24 complete, except in an emergency as determined by the stewards.

1 J. Organization licenses may be revoked if the organization
2 licensee or any person owning an interest in the organization
3 licensee:

4 1. ~~violates~~ Violates any provision of the Oklahoma Horse Racing
5 Act; or

6 2. ~~violates~~ Violates any provision of the rules and regulations
7 promulgated pursuant to the provisions of the Oklahoma Horse Racing
8 Act; or

9 3. ~~has~~ Has been convicted of a felony; or

10 4. ~~has~~ Has been convicted of violating any law regarding
11 gambling or controlled dangerous substances of the United States,
12 this state, or any other state; or

13 5. ~~has~~ Has failed to disclose or has stated falsely any
14 information contained in the application; or

15 6. ~~has~~ Has concealed in whole or in part the true ownership of
16 the organization licensee.

17 Any organization license revocation proceeding shall be
18 conducted pursuant to the provisions of Sections ~~301~~ 302 through ~~326~~
19 323 of Title 75 of the Oklahoma Statutes.

20 K. The fees received by the Commission pursuant to the
21 provisions of this section shall be ~~deposited to the credit of the~~
22 ~~General Revenue Fund of the State Treasury~~ apportioned to the
23 Oklahoma Horse Racing Commission Operational Expenses Revolving
24 Fund.

1 L. The provisions of the Oklahoma Horse Racing Act and rules
2 promulgated by the Commission shall apply to an organization
3 licensee during the entire calendar year in which the license was
4 issued.

5 SECTION 5. AMENDATORY 3A O.S. 2011, Section 205.6, is
6 amended to read as follows:

7 Section 205.6 A. Any organization licensee conducting a race
8 meeting may provide places on the race meeting grounds at which it
9 may conduct and supervise the pari-mutuel system of wagering on the
10 horse races conducted by the organization licensee at the race
11 meeting. No other place or method of betting, pool making,
12 wagering, or gambling shall be used or permitted by the organization
13 licensee. The pari-mutuel system of wagering shall be permitted
14 only on horse races conducted at a racetrack where such pari-mutuel
15 system of wagering is authorized pursuant to the provisions of the
16 Oklahoma Horse Racing Act.

17 B. Each organization licensee that holds a race meeting at
18 which the pari-mutuel system of wagering is conducted shall retain
19 an amount equal to eighteen percent (18%) of all money wagered, to
20 be distributed as follows:

21 1. The first One Hundred Million Dollars (\$100,000,000.00)
22 wagered per calendar year for each type of racing shall be
23 distributed as follows provided, that all racing dates exclusively
24 for Thoroughbred racing in a calendar year shall be combined for the

1 purpose of computing taxation rates and all racing dates for mixed
2 racing and all other individual breeds in a calendar year shall be
3 combined but considered separate from Thoroughbred racing for the
4 purpose of computing taxation rates:

5 a. ~~One-ninth~~ one-ninth (1/9) of the eighteen percent
6 (18%) shall be remitted to the Oklahoma Tax Commission
7 on the first business day following the close of the
8 racing day on which it was assessed. One hundred
9 percent (100%) of the revenue derived pursuant to the
10 provisions of this paragraph shall be apportioned
11 monthly to the ~~General Revenue Fund of the state for~~
12 ~~the support of the state government, to be paid out~~
13 ~~only pursuant to appropriation by the Legislature;~~
14 Oklahoma Horse Racing Commission Operational Expenses
15 Revolving Fund, and

16 b. ~~Five-ninths~~ five-ninths (5/9) of the eighteen percent
17 (18%) shall be retained by the organization licensee~~+~~,
18 and

19 c. ~~One-third~~ one-third (1/3) of the eighteen percent
20 (18%) shall be retained by the organization licensee
21 to be distributed as purses for participating horses.

22 2. All money wagered per calendar year for each type of racing
23 in excess of One Hundred Million Dollars (\$100,000,000.00) but not
24 to exceed One Hundred Fifty Million Dollars (\$150,000,000.00) shall

1 be distributed as follows provided, that all racing dates
2 exclusively for Thoroughbred racing in a calendar year shall be
3 combined for the purpose of computing taxation rates and all racing
4 dates for mixed racing and all other individual breeds in a calendar
5 year shall be combined but considered separate from Thoroughbred
6 racing for the purpose of computing taxation rates:

7 a. ~~One-ninth~~ one-ninth (1/9) of the eighteen percent
8 (18%) shall be remitted to the Oklahoma Tax Commission
9 on the first business day following the close of the
10 racing day on which it was assessed. One hundred
11 percent (100%) of the revenue derived pursuant to the
12 provisions of this paragraph shall be apportioned
13 monthly to the ~~General Revenue Fund of the state for~~
14 ~~the support of the state government, to be paid out~~
15 ~~only pursuant to appropriation by the Legislature;~~
16 Oklahoma Horse Racing Commission Operational Expenses
17 Revolving Fund, and

18 b. ~~Four-ninths~~ four-ninths (4/9) of the eighteen
19 percent (18%) shall be retained by the organization
20 licensee~~+~~, and

21 c. ~~One-third~~ one-third (1/3) of the eighteen percent
22 (18%) shall be retained by the organization licensee
23 to be distributed as purses for participating horses~~+~~,
24 and

1 d. ~~One-ninth~~ one-ninth (1/9) of the eighteen percent
2 (18%) shall be retained by the organization licensee
3 to be distributed as follows:

4 (1) seventy-five percent (75%) as purses for
5 participating horses, and

6 (2) twenty-five percent (25%) shall be remitted to
7 the Commission, at such intervals as required by
8 the Commission, for deposit in the Oklahoma
9 Breeding Development Fund Special Account.

10 3. All money wagered per calendar year for each type of racing
11 in excess of One Hundred Fifty Million Dollars (\$150,000,000.00)
12 shall be distributed as follows provided, that all racing dates
13 exclusively for Thoroughbred racing in a calendar year shall be
14 combined for the purpose of computing taxation rates and all racing
15 dates for mixed racing and all other individual breeds in a calendar
16 year shall be combined but considered separate from Thoroughbred
17 racing for the purpose of computing taxation rates:

18 a. ~~One-ninth~~ one-ninth (1/9) of the eighteen percent
19 (18%) shall be remitted to the Oklahoma Tax Commission
20 on the first business day following the close of the
21 racing day on which it was assessed. One hundred
22 percent (100%) of the revenue derived pursuant to the
23 provisions of this paragraph shall be apportioned
24 monthly to the ~~General Revenue Fund of the state for~~

1 ~~the support of the state government, to be paid out~~
2 ~~only pursuant to appropriation by the Legislature;~~
3 Oklahoma Horse Racing Commission Operational Expenses
4 Revolving Fund, and

5 b. ~~One-third~~ one-third (1/3) of the eighteen percent
6 (18%) shall be retained by the organization licensee~~+~~,
7 and

8 c. ~~One-third~~ one-third (1/3) of the eighteen percent
9 (18%) shall be retained by the organization licensee
10 to be distributed as purses for participating horses~~+~~,
11 and

12 d. ~~Two-ninths~~ two-ninths (2/9) of the eighteen percent
13 (18%) shall be retained by the organization licensee
14 to be distributed as follows:

15 (1) seventy-five percent (75%) as purses for
16 participating horses, and

17 (2) twenty-five percent (25%) shall be remitted to
18 the Commission, at such intervals as required by
19 the Commission, for deposit in the Oklahoma
20 Breeding Development Fund Special Account.

21 C. Notwithstanding any other provisions of this act, the state
22 shall collect six percent (6%) of the total amount wagered under the
23 provisions of this act at such time the organization licensee has no
24 further debt service.

1 D. In addition to the amount required to be retained by the
2 provisions of subsection B of this section, each organization
3 licensee holding a race meeting at which the pari-mutuel system of
4 wagering is conducted shall retain an additional amount equal to
5 three percent (3%) of all money wagered on multiple race wagers
6 involving not to exceed two races and on multiple horse wagers not
7 to exceed two horses in the same race.

8 Such amount shall be retained by the organization licensee to be
9 distributed as follows:

10 1. Two-thirds (2/3) of three percent (3%) shall be distributed:

11 a. ~~Seventy-five~~ seventy-five percent (75%) as purses for
12 participating horses~~+~~L and

13 b. ~~Twenty-five~~ twenty-five percent (25%) shall be
14 remitted to the Commission, at such intervals ~~or~~ as
15 required by the Commission, for deposit in the
16 Oklahoma Breeding Development Fund Special Account~~+~~i
17 and

18 2. One-third (1/3) of the three percent (3%) shall be
19 distributed:

20 a. ~~Fifty~~ fifty percent (50%) as purses for participating
21 horses~~+~~L and

22 b. ~~Fifty~~ fifty percent (50%) to the organization
23 licensee.
24

1 E. Each organization licensee shall retain an amount not less
2 than twenty-one percent (21%) nor greater than twenty-five percent
3 (25%) of all money wagered on multiple race wagers involving more
4 than two races, and on multiple horse wagers involving more than two
5 horses such amount shall be distributed as follows:

6 1. Eighteen percent (18%) pursuant to subsection B of this
7 section;

8 2. Three percent (3%) pursuant to subsection D of this section;
9 and

10 3. Of the remainder, fifty percent (50%) to be distributed as
11 purses for participating horses and fifty percent (50%) to the
12 organization licensee.

13 F. Organization licensees shall keep accurate books and records
14 of all ~~moneys~~ monies wagered on each day of a race meeting and of
15 the taxes paid pursuant to the provisions of this section. The
16 Oklahoma Tax Commission or an authorized representative shall have
17 access at all reasonable times to such records for the purpose of
18 examining and checking the records and ascertaining whether the
19 proper amount of taxes is being paid. The Oklahoma Tax Commission
20 shall require verified reports and a statement of the total of all
21 ~~moneys~~ monies wagered daily at a race meeting and may prescribe
22 forms upon which such reports and statement shall be made. The
23 organization licensee shall provide the Oklahoma Tax Commission with
24 such space and accommodations as may be necessary for the Oklahoma

1 Tax Commission to implement its duties pursuant to the provisions of
2 the Oklahoma Horse Racing Act.

3 G. No revenue bonds issued by a public trust, as authorized by
4 the provisions of Title 62 of the Oklahoma Statutes, shall be used
5 to finance any racetrack or racing facility.

6 H. All monies retained or to be distributed for purses shall be
7 held in trust by the Horsemen's Bookkeeper pursuant to Section ~~5~~
8 208.13 of this ~~act~~ title for the duly designated horsemen's
9 organization for purses.

10 SECTION 6. AMENDATORY 3A O.S. 2011, Section 263, is
11 amended to read as follows:

12 Section 263. A. Each organization licensee described in
13 paragraph 2 of subsection C of Section 262 of this title shall
14 distribute from the first Ten Million Dollars (\$10,000,000.00) of
15 adjusted gross revenues generated by any gaming conducted pursuant
16 to this act as follows:

17 1. Ten percent (10%) shall be remitted to the Oklahoma Tax
18 Commission on the fifteenth day following the end of the month in
19 which it was retained. Prior to July 1, 2008, twelve percent (12%)
20 of the revenue derived pursuant to this paragraph shall be
21 apportioned monthly to the Oklahoma Higher Learning Access Trust
22 Fund and eighty-eight percent (88%) of such revenue shall be
23 apportioned to the Education Reform Revolving Fund. On or after
24 July 1, 2008, twelve percent (12%) of the revenue derived pursuant

1 to this paragraph shall be apportioned monthly to the General
2 Revenue Fund and eighty-eight percent (88%) of such revenue shall be
3 apportioned to the Education Reform Revolving Fund;

4 2. No less than one-half of one percent (0.5%) and no more than
5 three percent (3%) shall be apportioned, according to the
6 requirements of Section 2 of this act, to the Oklahoma Horse Racing
7 Commission Operational Expenses Revolving Fund on the fifteenth day
8 following the end of the month in which the revenue was collected;

9 3. Twenty-five percent (25%) less the adjusted gross revenue
10 derived from one-half (1/2) of the Operational Expenses Revolving
11 Fund Retention Percentage shall be retained by the organization
12 licensee to be distributed according to subsection H of this
13 section; and

14 ~~3.~~ 4. Sixty-five percent (65%) less the adjusted gross revenue
15 derived from one-half (1/2) of the Operational Expenses Revolving
16 Fund Retention Percentage shall be retained by the organization
17 licensee.

18 B. The organization licensee described in paragraph 1 of
19 subsection C of Section ~~3~~ 262 of this ~~act~~ title shall distribute
20 from the first Ten Million Dollars (\$10,000,000.00) of adjusted
21 gross revenues generated by any gaming conducted pursuant to this
22 act as follows:

23 1. Ten percent (10%) shall be remitted to the Tax Commission on
24 the fifteenth day following the end of the month in which it was

1 retained. Prior to July 1, 2008, twelve percent (12%) of the
2 revenue derived pursuant to this paragraph shall be apportioned
3 monthly to the Oklahoma Higher Learning Access Trust Fund and
4 eighty-eight percent (88%) of such revenue shall be apportioned to
5 the Education Reform Revolving Fund. On or after July 1, 2008,
6 twelve percent (12%) of the revenue derived pursuant to this
7 paragraph shall be apportioned monthly to the General Revenue Fund
8 and eighty-eight percent (88%) of such revenue shall be apportioned
9 to the Education Reform Revolving Fund;

10 2. No less than one-half of one percent (0.5%) and no more than
11 three percent (3%) shall be apportioned, according to the
12 requirements of Section 2 of this act, to the Oklahoma Horse Racing
13 Commission Operational Expenses Revolving Fund on the fifteenth day
14 following the end of the month in which the revenue was collected;

15 3. Thirty percent (30%) less the adjusted gross revenue derived
16 from one-half (1/2) of the Operational Expenses Revolving Fund
17 Retention Percentage shall be retained by the organization licensee
18 to be distributed according to subsection H of this section; and

19 ~~3.~~ 4. Sixty percent (60%) less the adjusted gross revenue
20 derived from one-half (1/2) of the Operational Expenses Revolving
21 Fund Retention Percentage shall be retained by the organization
22 licensee.

23 C. Each organization licensee shall distribute from retained
24 adjusted gross revenues in excess of Ten Million Dollars

1 (\$10,000,000.00) per calendar year but not to exceed Thirty Million
2 Dollars (\$30,000,000.00) per calendar year generated from any gaming
3 conducted pursuant to this act as follows:

4 1. Ten percent (10%) shall be remitted to the Tax Commission on
5 the fifteenth day following the end of the month in which it was
6 retained. Prior to July 1, 2008, twelve percent (12%) of the
7 revenue derived pursuant to this paragraph shall be apportioned
8 monthly to the Oklahoma Higher Learning Access Trust Fund and
9 eighty-eight percent (88%) of such revenue shall be apportioned to
10 the Education Reform Revolving Fund. On or after July 1, 2008,
11 twelve percent (12%) of the revenue derived pursuant to this
12 paragraph shall be apportioned monthly to the General Revenue Fund
13 and eighty-eight percent (88%) of such revenue shall be apportioned
14 to the Education Reform Revolving Fund;

15 2. No less than one-half of one percent (0.5%) and no more than
16 three percent (3%) shall be apportioned, according to the
17 requirements of Section 2 of this act, to the Oklahoma Horse Racing
18 Commission Operational Expenses Revolving Fund on the fifteenth day
19 following the end of the month in which the revenue was collected;

20 3. Thirty percent (30%) less the adjusted gross revenue derived
21 from one-half (1/2) of the Operational Expenses Revolving Fund
22 Retention Percentage shall be retained by the organization licensee
23 to be distributed according to subsection H of this section; and
24

1 ~~3.~~ 4. Sixty percent (60%) less the adjusted gross revenue
2 derived from one-half (1/2) of the Operational Expenses Revolving
3 Fund Retention Percentage shall be retained by the organization
4 licensee.

5 D. Each organization licensee shall distribute from retained
6 adjusted gross revenues in excess of Thirty Million Dollars
7 (\$30,000,000.00) per calendar year but not to exceed Forty Million
8 Dollars (\$40,000,000.00) per calendar year generated by any gaming
9 conducted pursuant to this act as follows:

10 1. Fifteen percent (15%) shall be remitted to the Tax
11 Commission on the fifteenth day following the end of the month in
12 which it was retained. Prior to July 1, 2008, twelve percent (12%)
13 of the revenue derived pursuant to this paragraph shall be
14 apportioned monthly to the Oklahoma Higher Learning Access Trust
15 Fund and eighty-eight percent (88%) of such revenue shall be
16 apportioned to the Education Reform Revolving Fund. On or after
17 July 1, 2008, twelve percent (12%) of the revenue derived pursuant
18 to this paragraph shall be apportioned monthly to the General
19 Revenue Fund and eighty-eight percent (88%) of such revenue shall be
20 apportioned to the Education Reform Revolving Fund;

21 2. No less than one-half of one percent (0.5%) and no more than
22 three percent (3%) shall be apportioned, according to the
23 requirements of Section 2 of this act, to the Oklahoma Horse Racing
24

1 Commission Operational Expenses Revolving Fund on the fifteenth day
2 following the end of the month in which the revenue was collected;

3 3. Thirty percent (30%) less the adjusted gross revenue derived
4 from one-half (1/2) of the Operational Expenses Revolving Fund
5 Retention Percentage shall be retained by the organization licensee
6 to be distributed according to subsection H of this section; and

7 ~~3.~~ 4. Fifty-five percent (55%) less the adjusted gross revenue
8 derived from one-half (1/2) of the Operational Expenses Revolving
9 Fund Retention Percentage shall be retained by the organization
10 licensee.

11 E. Each organization licensee shall distribute from retained
12 adjusted gross revenues in excess of Forty Million Dollars
13 (\$40,000,000.00) per calendar year but not to exceed Fifty Million
14 Dollars (\$50,000,000.00) per calendar year generated from any gaming
15 conducted pursuant to this act as follows:

16 1. Twenty percent (20%) shall be remitted to the Tax Commission
17 on the fifteenth day following the end of the month in which it was
18 retained. Prior to July 1, 2008, twelve percent (12%) of the
19 revenue derived pursuant to this paragraph shall be apportioned
20 monthly to the Oklahoma Higher Learning Access Trust Fund and
21 eighty-eight percent (88%) of such revenue shall be apportioned to
22 the Education Reform Revolving Fund. On or after July 1, 2008,
23 twelve percent (12%) of the revenue derived pursuant to this
24 paragraph shall be apportioned monthly to the General Revenue Fund

1 and eighty-eight percent (88%) of such revenue shall be apportioned
2 to the Education Reform Revolving Fund;

3 2. No less than one-half of one percent (0.5%) and no more than
4 three percent (3%) shall be apportioned, according to the
5 requirements of Section 2 of this act, to the Oklahoma Horse Racing
6 Commission Operational Expenses Revolving Fund on the fifteenth day
7 following the end of the month in which the revenue was collected;

8 3. Twenty-five percent (25%) less the adjusted gross revenue
9 derived from one-half (1/2) of the Operational Expenses Revolving
10 Fund Retention Percentage shall be retained by the organization
11 licensee to be distributed according to subsection H of this
12 section; and

13 ~~3.~~ 4. Fifty-five percent (55%) less the adjusted gross revenue
14 derived from one-half (1/2) of the Operational Expenses Revolving
15 Fund Retention Percentage shall be retained by the organization
16 licensee.

17 F. Each organization licensee shall distribute from retained
18 adjusted gross revenues in excess of Fifty Million Dollars
19 (\$50,000,000.00) per calendar year but not to exceed Seventy Million
20 Dollars (\$70,000,000.00) per calendar year generated from any gaming
21 conducted pursuant to this act as follows:

22 1. Twenty-five percent (25%) shall be remitted to the Tax
23 Commission on the fifteenth day following the end of the month in
24 which it was retained. Prior to July 1, 2008, twelve percent (12%)

1 of the revenue derived pursuant to this paragraph shall be
2 apportioned monthly to the Oklahoma Higher Learning Access Trust
3 Fund and eighty-eight percent (88%) of such revenue shall be
4 apportioned to the Education Reform Revolving Fund. On or after
5 July 1, 2008, twelve percent (12%) of the revenue derived pursuant
6 to this paragraph shall be apportioned monthly to the General
7 Revenue Fund and eighty-eight percent (88%) of such revenue shall be
8 apportioned to the Education Reform Revolving Fund;

9 2. No less than one-half of one percent (0.5%) and no more than
10 three percent (3%) shall be apportioned, according to the
11 requirements of Section 2 of this act, to the Oklahoma Horse Racing
12 Commission Operational Expenses Revolving Fund on the fifteenth day
13 following the end of the month in which the revenue was collected;

14 3. Twenty-two and one-half percent (22 1/2%) less the adjusted
15 gross revenue derived from one-half (1/2) of the Operational
16 Expenses Revolving Fund Retention Percentage shall be retained by
17 the organization licensee to be distributed according to subsection
18 H of this section; and

19 ~~3.~~ 4. Fifty-two and one-half percent (52 1/2%) less the
20 adjusted gross revenue derived from one-half (1/2) of the
21 Operational Expenses Revolving Fund Retention Percentage shall be
22 retained by the organization licensee.

23 G. Each organization licensee shall distribute from retained
24 adjusted gross revenues in excess of Seventy Million Dollars

1 (\$70,000,000.00) per calendar year generated from any gaming
2 conducted pursuant to this act as follows:

3 1. Thirty percent (30%) shall be remitted to the Tax Commission
4 on the fifteenth day following the end of the month in which it was
5 retained. Prior to July 1, 2008, twelve percent (12%) of the
6 revenue derived pursuant to this paragraph shall be apportioned
7 monthly to the Oklahoma Higher Learning Access Trust Fund and
8 eighty-eight percent (88%) of such revenue shall be apportioned to
9 the Education Reform Revolving Fund. On or after July 1, 2008,
10 twelve percent (12%) of the revenue derived pursuant to this
11 paragraph shall be apportioned monthly to the General Revenue Fund
12 and eighty-eight percent (88%) of such revenue shall be apportioned
13 to the Education Reform Revolving Fund;

14 2. No less than one-half of one percent (0.5%) and no more than
15 three percent (3%) shall be apportioned, according to the
16 requirements of Section 2 of this act, to the Oklahoma Horse Racing
17 Commission Operational Expenses Revolving Fund on the fifteenth day
18 following the end of the month in which the revenue was collected;

19 3. Twenty percent (20%) less the adjusted gross revenue derived
20 from one-half (1/2) of the Operational Expenses Revolving Fund
21 Retention Percentage shall be retained by the organization licensee

22 to be distributed according to subsection H of this section; and

23 ~~3.~~ 4. Fifty percent (50%) less the adjusted gross revenue
24 derived from one-half (1/2) of the Operational Expenses Revolving

1 Fund Retention Percentage shall be retained by the organization
2 licensee.

3 H. Each organization licensee shall remit, on the fifteenth day
4 following the end of the month in which they were retained, an
5 amount equal to nine percent (9%) of the funds generated pursuant to
6 paragraph ~~2~~ 3 of subsections A through G of this section to the
7 Oklahoma Horse Racing Commission for deposit in the Oklahoma
8 Breeding Development Fund Special Account pursuant to Section 208.3
9 of this title, to be distributed to the participating breeds as
10 provided in paragraphs 1 and 2 of this subsection.

11 Each organization licensee shall remit to the official
12 horsemen's organization representing participating horsemen during
13 the live race meets, on the fifteenth day following the end of the
14 month in which they were retained, an amount equal to one and five-
15 tenths percent (1.5%) of the funds generated pursuant to paragraph ~~2~~
16 3 of subsections A through G of this section on a pro rata basis
17 based on the distribution of purse funds available to the breeds of
18 horses participating in the live race meetings with one percent (1%)
19 to be used for administrative expenses and five-tenths of one
20 percent (0.5%) to provide funding for a benevolence program at each
21 racetrack to benefit participating horsemen and their employees.
22 Such benevolence program shall provide medical benefits or services
23 to persons associated with the horse racing industry who are in
24 financial need.

1 Each organization licensee shall remit to the breed
2 organizations designated by the official horsemen's representative,
3 on the fifteenth day following the end of the month in which they
4 were retained, an amount equal to one percent (1%) of the funds
5 generated pursuant to paragraph ~~2~~ 3 of subsections A through G of
6 this section on a pro rata basis based on the distribution of purse
7 funds available to the breeds of horses participating in the live
8 race meetings for funding to support the breed organizations
9 dedicated to the promotion of breeding and racing horses in
10 Oklahoma.

11 Subject to the provisions of subsection I of this section, the
12 remainder of the funds generated pursuant to paragraph ~~2~~ 3 of
13 subsections A through G of this section shall be distributed by the
14 organization licensee as purses for participating horses as follows:

15 1. For organization licensees that conduct one or more race
16 meetings dedicated to Thoroughbred racing and one or more race
17 meetings dedicated to Quarter Horse, Paint and Appaloosa horse
18 racing, fifty percent (50%) to purses for Thoroughbred races, forty-
19 five percent (45%) to purses for Quarter Horse races, and five
20 percent (5%) to purses for Paint and Appaloosa races; and

21 2. For all other organization licensees, forty-five percent
22 (45%) to purses for Thoroughbred races, forty-five percent (45%) to
23 purses for Quarter Horse races and ten percent (10%) to purses for
24 Paint and Appaloosa horse races.

1 I. The percentage of purse money generated by an organization
2 licensee that is designated for deposit to the Oklahoma Breeding
3 Development Fund Special Account pursuant to subsection H of this
4 section may be increased by an additional percentage that shall not
5 exceed thirty-three percent (33%) of the total funds for
6 participating horsemen upon the written application of the official
7 horsemen's representative for each of the breeds of horses
8 participating in a race meeting at the track.

9 All Oklahoma Breeding Development Fund Special Account monies
10 generated pursuant to this section shall not be subject to a
11 reduction pursuant to paragraph 7 of subsection B of Section 208.3
12 of this title.

13 J. An organization licensee's annual application for race dates
14 shall include any existing agreement between the organization
15 licensee and the official horsemen's representative for each breed
16 participating in the live racing meeting at that track which sets
17 forth the thresholds whereby the minimum number of races will
18 increase or decrease during that calendar year.

19 K. For purposes of this act a "recipient licensee" means an
20 organization licensee operating a racetrack location at which an
21 organization licensee is licensed to conduct a race meeting pursuant
22 to the provisions of Section 208.2 of this title located in a county
23 with a population exceeding five hundred thousand (500,000) persons,
24 according to the most recent Federal Decennial Census, and a

1 "participating tribe" means a tribe which operates a gaming facility
2 within a radius of twenty (20) miles from the enclosure of a
3 recipient licensee pursuant to a compact set forth in Section 281 of
4 this title. Such compact shall require that a participating tribe
5 contribute a percentage of its "monthly average take" from
6 electronic amusement games, electronic bonanza-style bingo games and
7 electronic instant bingo games (hereinafter referred to collectively
8 as "electronic covered games") as defined in that tribe's Gaming
9 Compact as long as the prohibition against fair associations or
10 organizations licensed pursuant to Section 208.2 of this title
11 conducting authorized gaming under this act as set forth in
12 subsection A of Section 262 of this title remains in effect.
13 Participating tribes shall make contributions in accordance with the
14 following requirements:

15 1. Each participating tribe shall calculate its monthly average
16 take for electronic covered games for each calendar month of
17 operation of electronic covered games. For purposes of this
18 paragraph, the "monthly average take" shall mean all adjusted gross
19 revenue from electronic covered games at the tribal gaming
20 facilities that are located within a radius of twenty (20) miles
21 from the enclosure of a recipient licensee during the applicable
22 calendar month, divided by the number of electronic covered games
23 operated by the tribe at the gaming facility during the applicable
24 calendar month;

1 2. Each participating tribe shall calculate its pro rata share
2 of the payments required by this subsection, based on the number of
3 electronic covered games in the tribal gaming facilities within the
4 twenty-mile radius described in paragraph 1 of this subsection,
5 during the applicable calendar month ("tribal share"). As an
6 example only, if three (3) tribes participate in this subsection
7 during a calendar month, and have the respective number of games in
8 the amount of 500, 1,000, and 1,000, then the payments called for in
9 paragraph 3 of this subsection would be multiplied by twenty percent
10 (20%), forty percent (40%) and forty percent (40%) to determine each
11 tribe's pro rata share; and

12 3. Each participating tribe shall make the following payments
13 no later than the fifteenth day following the end of the applicable
14 calendar month, with the first payment to be due no later than the
15 fifteenth day following the end of the first month in which a
16 participating tribe commences gaming operations pursuant to the
17 compact set out in Section 281 of this title:

- 18 a. the tribe shall pay its pro rata share of the product
19 of 450 multiplied by .05 multiplied by the greater of
20 Seven Thousand Four Hundred Eight Dollars (\$7,408.00)
21 or the tribe's monthly average take for the applicable
22 month to the recipient licensee, and
- 23 b. the tribe shall pay its pro rata share of the product
24 of 450 multiplied by .25 multiplied by the tribe's

1 monthly average take for the applicable month to the
2 Oklahoma Horse Racing Commission to be used as
3 directed by purse committees for the following
4 purposes:

- 5 (1) distributed to organization licensees for purses
6 for participating horses,
- 7 (2) paid to the Oklahoma Breeding Development Fund
8 Special Account. The amount designated for
9 deposit into the Oklahoma Breeding Development
10 Fund Special Account shall never be less than
11 nine percent (9%) of the funds generated nor more
12 than thirty-three percent (33%) of the total
13 designated funds for horsemen participating in
14 any race meeting, and
- 15 (3) paid to the official horsemen's representatives
16 and to the breeding organizations designated by
17 the official horsemen's representatives and to
18 the breeding organizations designated by the
19 official horsemen's representatives to be used to
20 pay their administrative expenses and to fund
21 their benevolence programs. In no event shall
22 the amount designated for such administrative
23 expenses exceed one percent (1%) of the funds
24 generated nor shall the monies designated for

1 benevolence programs exceed five-tenths of one
2 percent (0.5%) of the funds generated.

3 L. The "purse committees" shall be comprised of the official
4 elected horsemen representatives for each breed as designated in
5 Section 267 of this title. The total contribution of the
6 participating tribes made pursuant to subparagraph b of paragraph 3
7 of subsection K of this section shall be distributed as directed by
8 the purse committees based on the following formula, to wit: fifty
9 percent (50%) by the purse committee representing Thoroughbred
10 horses; forty percent (40%) by the purse committee representing
11 Quarter Horses; and ten percent (10%) by the purse committee
12 representing Paint and Appaloosa horses.

13 The purse committees shall meet at least sixty (60) days prior
14 to the beginning of a calendar year to provide directions for
15 placement of the purse funds described in subparagraph b of
16 paragraph 3 of subsection K of this section with one or more
17 organization licensees for the succeeding calendar year. In
18 providing such directions the purse committees shall consider and
19 attempt to achieve the following preferences in the order set forth
20 below:

21 FIRST. Through the use of no more than fifty percent (50%) of
22 the purse funds available for distribution under this section,
23 maintaining the purse structures of any organization licensee
24 operating a racetrack location located in a county with a population

1 exceeding six hundred thousand (600,000) persons, according to the
2 most recent federal decennial census, at a level that is competitive
3 with the purse structures of similarly situated ~~race tracks~~
4 racetracks, including those in surrounding states, and that will
5 encourage the participation by horsemen in that organization
6 licensee's race meet or meets; and

7 SECOND. Maintaining the purse structures of the organization
8 licensee closest in geographic proximity to the location where the
9 purse funds described in subparagraph b of paragraph 3 of subsection
10 K of this section were generated at a level that is competitive with
11 the purse structures of similarly situated ~~race tracks~~ racetracks,
12 including those in surrounding states, and that will encourage the
13 participation by horsemen in that organization licensee's race meet
14 or meets; and

15 THIRD. Maintaining the purse structures of the remaining
16 organization licensees in the state at a level that will encourage
17 the participation by horsemen in those organization licensees' race
18 meet or meets.

19 M. Organization licensees shall keep accurate books and records
20 of all revenue generated by any gaming conducted pursuant to the
21 State-Tribal Gaming Act and of the taxes paid pursuant to the
22 provisions of this section. The Oklahoma Tax Commission or an
23 authorized representative shall have access at all reasonable times
24 to such records for the purpose of examining and checking the

1 records and ascertaining whether the proper amount of taxes is being
2 paid. The Oklahoma Tax Commission shall require verified reports
3 and a statement of the total of all revenue generated by any gaming
4 conducted by an organization licensee pursuant to the provisions of
5 the State-Tribal Gaming Act.

6 N. The Oklahoma Horse Racing Commission is hereby authorized to
7 provide repayment of amounts collected pursuant to paragraph 2 of
8 subsections A through G of this section on a pro rata basis to be
9 paid from the Oklahoma Horse Racing Commission Operational Expenses
10 Revolving Fund.

11 SECTION 7. AMENDATORY 3A O.S. 2011, Section 282, as
12 amended by Section 25, Chapter 304, O.S.L. 2012 (3A O.S. Supp. 2016,
13 Section 282), is amended to read as follows:

14 Section 282. A. The Oklahoma Horse Racing Commission is
15 authorized to charge an application fee of Fifty Thousand Dollars
16 (\$50,000.00) to each organization licensee which desires to conduct
17 gaming pursuant to the State-Tribal Gaming Act or which receives any
18 funds as a "recipient licensee" as that term is defined by the
19 State-Tribal Gaming Act and desires to conduct pari-mutuel wagering
20 in this state. Such fee must be paid prior to any organization
21 licensee being authorized by the Oklahoma Horse Racing Commission to
22 conduct gaming pursuant to the State-Tribal Gaming Act.

23 B. In addition to the application fee authorized in subsection
24 A of this section and the fees authorized in subsection ~~G~~ F of this

1 section, the Oklahoma Horse Racing Commission is hereby authorized
2 to assess a fee upon each organization licensee authorized by the
3 State-Tribal Gaming Act to conduct gaming authorized by the State-
4 Tribal Gaming Act to provide adequate funding to the Oklahoma Horse
5 Racing Commission for the regulation of such gaming in this state.

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

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

19 E. The application fee authorized in subsection A of this
20 section and any assessment authorized in subsection B of this
21 section and any fee authorized in subsection ~~G~~ F of this section
22 collected by the Commission shall be deposited in the "Oklahoma
23 Horse Racing Commission ~~Gaming Regulation~~ Operational Expenses
24 Revolving Fund" ~~hereby created. The fund shall be a continuing fund~~

1 ~~not subject to fiscal year limitations and shall consist of the~~
2 ~~monies received by the Commission from any assessment and fee levied~~
3 ~~pursuant to the provisions of this section and any other monies~~
4 ~~designated for deposit thereto. All monies accruing to the credit~~
5 ~~of the fund are hereby appropriated and may be budgeted and expended~~
6 ~~by the Commission to pay the costs, both direct and indirect, of the~~
7 ~~Commission incurred to regulate gaming conducted by an organization~~
8 ~~licensee pursuant to the State Tribal Gaming Act. Expenditures from~~
9 ~~said fund shall be made upon warrants issued by the State Treasurer~~
10 ~~against claims filed as prescribed by law with the Director of the~~
11 ~~Office of Management and Enterprise Services for approval and~~
12 ~~payment.~~ On the effective date of this act, the Oklahoma Horse
13 Racing Commission Gaming Regulation Revolving Fund shall be closed
14 and any unencumbered balance shall be transferred to the Oklahoma
15 Horse Racing Commission Operational Expenses Revolving Fund created
16 by Section 1 of this act.

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

~~6.~~ 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.

| | |
|----------------------|-------------|
| Manufacturer License | \$10,000.00 |
|----------------------|-------------|

| | |
|---------------------|------------|
| Distributor License | \$5,000.00 |
|---------------------|------------|

| | |
|----------------------------------|-------------|
| Manufacturer/Distributor License | \$10,000.00 |
|----------------------------------|-------------|

| | |
|--|------------|
| Independent Testing Laboratory License | \$5,000.00 |
|--|------------|

| | |
|----------------|----------|
| Vendor License | \$500.00 |
|----------------|----------|

| | |
|-----------------------|----------|
| Key Executive License | \$250.00 |
|-----------------------|----------|

| | |
|-------------------------|---------|
| Gaming Employee License | \$50.00 |
|-------------------------|---------|

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

1 Background Investigative fee for the following occupation gaming
2 license categories:

3 Gaming Employee, Vendor Employee \$50.00

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

6 SECTION 8. REPEALER 3A O.S. 2011, Section 204.1A, is
7 hereby repealed.

8 SECTION 9. This act shall become effective July 1, 2017.

9 SECTION 10. It being immediately necessary for the preservation
10 of the public peace, health or safety, an emergency is hereby
11 declared to exist, by reason whereof this act shall take effect and
12 be in full force from and after its passage and approval.

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

14

15

Presiding Officer of the House
of Representatives

16

17

Passed the Senate the ____ day of _____, 2017.

18

19

20

Presiding Officer of the Senate

21

22

23

24