

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 56th Legislature (2017)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1858

By: Osborn (Leslie) of the
House

and

David of the Senate

10 COMMITTEE SUBSTITUTE

11 An Act relating to amusements and sports; creating
12 the Oklahoma Horse Racing Commission Operational
13 Expenses Revolving Fund; providing for deposit of
14 monies to fund; imposing requirements with respect to
15 the Oklahoma Horse Racing Commission Operational
16 Expenses Revolving Fund; imposing initial budget
17 amount; providing for modifications to budget amount;
18 prescribing procedures for approval of budget
19 modifications by certain entities; defining term;
20 imposing duties upon Oklahoma Horse Racing Commission
21 with respect to Operational Expenses Revolving Fund
22 Retention Percentage; prescribing range of authorized
23 percentages; providing for adjustment; requiring
24 estimate of operating expenses; imposing standard
 with respect to expenses; amending 3A O.S. 2011,
 Section 204.2, which relates to certain occupation
 licenses; providing for apportionment of occupation
 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

1 Operational Expenses Revolving Fund; modifying
2 apportionments to the General Revenue Fund; amending
3 3A O.S. 2011, Section 263, which relates to
4 distributions and payments by licensees; providing
5 for apportionment of certain amounts to the Oklahoma
6 Horse Racing Commission Operational Expenses
7 Revolving Fund; prescribing time limit for
8 apportionment of revenues; providing for
9 determinations by the Oklahoma Horse Racing
10 Commission regarding revenue percentages; providing
11 for adjustments to gaming revenues to be retained by
12 organization licensees based upon Commission
13 determinations; modifying revenue apportionments;
14 imposing duty on organization licensees with respect
15 to books and records; authorizing Oklahoma Tax
16 Commission to have access to records; requiring
17 verified reports with respect to gaming revenues;
18 authorizing Oklahoma Horse Racing Commission to
19 provide repayment of certain amounts from designated
20 funds; amending 3A O.S. 2011, Section 282, as amended
21 by Section 25, Chapter 304, O.S.L. 2012 (3A O.S.
22 Supp. 2016, Section 282), which relates to certain
23 fees and the Oklahoma Horse Racing Commission Gaming
24 Regulation Revolving Fund; modifying reference to
fund; providing for deposit of fees into Oklahoma
House Racing Commission Operational Expenses
Revolving Fund; providing for transfer of funds;
repealing 3A O.S. 2011, Section 204.1A, which relates
to the Oklahoma Horse Racing Commission Revolving
Fund; providing for codification; providing an
effective date; and declaring an emergency.

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

1 "Oklahoma Horse Racing Commission Operational Expenses Revolving
2 Fund". The fund shall be a continuing fund, not subject to fiscal
3 year limitations or reconciliation, and shall consist of all monies
4 received by the Oklahoma Horse Racing Commission from revenues
5 apportioned to the fund by Sections 205.6 and 263 of Title 3A of the
6 Oklahoma Statutes, together with all monies from fines, fees,
7 reimbursements, assessments and sale of materials which are
8 collected or received by the Commission and all monies retained by
9 the Commission under the provisions of Title 3A of the Oklahoma
10 Statutes. All monies accrued to the credit of the fund are hereby
11 appropriated and may be budgeted and expended by the Commission to
12 pay the costs, both direct and indirect, of the Commission.
13 Expenditures from said fund shall be made upon warrants issued by
14 the State Treasurer against claims filed as prescribed by law with
15 the Director of the Office of Management and Enterprise Services for
16 approval and payment.

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

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

23 B. The Budget for the initial fiscal year of this act shall be
24 established by vote at a Commission meeting and shall not exceed

1 Three Million Three Hundred Thousand Dollars (\$3,300,000.00). The
2 Budget for subsequent years shall be established by vote at a
3 Commission meeting and may be increased as follows: any amount equal
4 to the initial fiscal year budget under this act multiplied by the
5 percentage by which the CPI Index on January 1 of the budget year
6 exceeds the CPI Index of the previous year; or by an amount agreed
7 to by the organization licensees described in paragraphs 1 and 2 of
8 subsection C of Section 262 of Title 3A of the Oklahoma Statutes and
9 the official horsemen's representative organizations described in
10 Section 267 of Title 3A of the Oklahoma Statutes by vote at a
11 Commission meeting. "CPI" means the most recent all-items consumer
12 price index for all-urban consumers for the United States City
13 Average published by the United States Department of Labor. Consent
14 to the increase in the budget amount for the Oklahoma Horse Racing
15 Commission by the organization licensees and the official horsemen's
16 representative organizations authorized by this subsection may be
17 communicated to the Oklahoma Horse Racing Commission either through
18 a resolution of the governing board of each such licensee and each
19 such representative organization or through a communication
20 authorized to be made by the governing board of each such licensee
21 and each such representative organization by a chief executive
22 officer or authorized employee or authorized agent of the
23 organization licensee or representative organization in such form
24 and at such time as may be mutually agreeable to the Oklahoma Horse

1 Racing Commission and the respective licensee or representative
2 organization.

3 C. The Oklahoma Horse Racing Commission shall establish the
4 percentage of adjusted gross gaming revenues necessary for providing
5 adequate operational expenses (Operational Expenses Revolving Fund
6 Retention Percentage) by vote at a Commission meeting. The
7 Operational Expenses Revolving Fund Retention Percentage shall be no
8 less than one-half of one percent (0.5%) and no more than three
9 percent (3%) of adjusted gross gaming revenues, as outlined in
10 subsections A through G of Section 263 of Title 3A of the Oklahoma
11 Statutes. For any subsequent quarter of a year, the Commission may
12 adjust the Operational Expenses Revolving Fund Retention Percentage
13 by a vote at a Commission meeting in accordance with the budget
14 limitations established herein. In establishing the Operational
15 Expenses Revolving Fund Retention Percentage, the Commission must
16 attempt to set the rate to meet the estimated operating needs for
17 the budget year, such that funds are available for operations but
18 funds in excess of operating needs are minimized.

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

21 Section 204.2 A. The Oklahoma Horse Racing Commission shall
22 issue occupation licenses to horse owners, trainers, jockeys,
23 agents, apprentices, grooms, exercise persons, veterinarians,
24 valets, blacksmiths, concessionaires, stewards, starters, timers,

1 judges, supervisors of mutuels, guards, and such other personnel
2 designated by the Commission whose work, in whole or in part, is
3 conducted upon racetrack grounds which are owned by an organization
4 licensee. The licenses shall be obtained prior to the time such
5 persons engage in their vocations upon such racetrack grounds at any
6 time during the calendar year for which the organization license has
7 been issued. No person required to be licensed pursuant to the
8 provisions of this section may participate in any capacity in any
9 race meeting without a valid license authorizing such participation.

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

- 18 1. Full name and address;
- 19 2. Age;
- 20 3. Whether the applicant was issued any prior occupation
21 license from this state;
- 22 4. Whether the applicant was issued any occupation license from
23 another state;
- 24

1 5. Whether an occupation license from another state is or has
2 been denied, suspended, or revoked;

3 6. Whether the applicant has been convicted of a felony in this
4 state or any other state as established by a national criminal
5 history record check as defined by Section 150.9 of Title 74 of the
6 Oklahoma Statutes; and

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

8 C. The Commission may refuse an occupation license to any
9 person:

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

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

14 3. Who is unqualified to perform the duties required of the
15 applicant; or

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

18 5. Who has been found guilty of a violation of any provision of
19 the Oklahoma Horse Racing Act or of the rules and regulations of the
20 Commission; or

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

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

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

3 2. Violation of any provision of the rules or regulations of
4 the Commission; or

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

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

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

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

1 G. The Commission may promulgate rules to facilitate and
2 promote uniform, reciprocal occupation licensing with other
3 jurisdictions.

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

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

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

1 wagering for the 1993 calendar year shall be filed with the
2 Commission on or before the 1st day of August, 1992. Each applicant
3 requesting an organization license to conduct horse racing with the
4 pari-mutuel system of wagering shall include with each application a
5 nonrefundable license fee equal to the sum of Five Thousand Dollars
6 (\$5,000.00) for each race meeting and Two Hundred Dollars (\$200.00)
7 for each racing day requested. Provided, the fee for Five Thousand
8 Dollars (\$5,000.00) shall be waived for applicants applying pursuant
9 to the provisions of Section 208.2 of this title. Each applicant
10 requesting an organization license to conduct horse racing without
11 the pari-mutuel system of wagering or to conduct accredited work or
12 training races shall include with each application a nonrefundable
13 license fee of Five Hundred Dollars (\$500.00) for each race meeting.
14 Such fee shall be in the form of a certified check or bank draft
15 payable to the order of the Commission. Within thirty (30) days
16 after the date specified for filing, the Commission shall examine
17 the applications for compliance with the provisions of the Oklahoma
18 Horse Racing Act and such rules and regulations as may be
19 promulgated by the Commission. If any application does not comply
20 with the provisions of the Oklahoma Horse Racing Act or the rules
21 and regulations promulgated by the Commission, the application may
22 be rejected or the Commission may direct the applicant to comply
23 with the provisions of the Oklahoma Horse Racing Act or the rules
24 and regulations of the Commission within a reasonable time as

1 determined by the Commission. Upon proof by the applicant of
2 compliance, the Commission may reconsider the application. If it is
3 found to be in compliance with the provisions of the Oklahoma Horse
4 Racing Act and the rules and regulations of the Commission, the
5 Commission may then issue an organization license to the applicant.

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

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

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

- 18 a. directly or indirectly controls such applicant, or
19 b. is directly or indirectly controlled by such applicant
20 or by a person who directly or indirectly controls
21 such applicant; and

22 2. ~~the~~ The facilities and accommodations of the applicant for
23 the conduct of race meetings; and
24

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

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

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

22 E. The Commission shall notify each applicant of the racing
23 dates allotted to such applicant. The notice shall be in writing
24 and sent by registered mail to the applicant at the address stated

1 in the ~~Application~~ application. The notice shall be mailed within
2 two (2) business days of the date the allotment is made. After the
3 mailing of such notice of allotment, each applicant shall file with
4 the Commission within ten (10) days an acceptance of such allotment
5 on a form prescribed and furnished by the Commission.

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

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

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

19 I. Any organization licensee may provide, with prior approval
20 by the Commission, that at least one horse race a day may be devoted
21 to the racing of a type of horse which is different from the type of
22 horse being raced in the other races conducted by the organization
23 licensee on that day. When scheduled races are trial heats for
24 futurities or stakes races electronically timed from the starting

1 gates, no organization licensee shall move the starting gates or
2 allow the starting gates to be moved until all trial heats are
3 complete, except in an emergency as determined by the stewards.

4 J. Organization licenses may be revoked if the organization
5 licensee or any person owning an interest in the organization
6 licensee:

7 1. ~~violates~~ Violates any provision of the Oklahoma Horse Racing
8 Act; or

9 2. ~~violates~~ Violates any provision of the rules and regulations
10 promulgated pursuant to the provisions of the Oklahoma Horse Racing
11 Act; or

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

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

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

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

20 Any organization license revocation proceeding shall be
21 conducted pursuant to the provisions of Sections 301 through 326 of
22 Title 75 of the Oklahoma Statutes.

23 K. The fees received by the Commission pursuant to the
24 provisions of this section shall be ~~deposited to the credit of the~~

1 ~~General Revenue Fund of the State Treasury~~ apportioned to the
2 Oklahoma Horse Racing Commission Operational Expenses Revolving
3 Fund.

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

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

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

20 B. Each organization licensee that holds a race meeting at
21 which the pari-mutuel system of wagering is conducted shall retain
22 an amount equal to eighteen percent (18%) of all money wagered, to
23 be distributed as follows:
24

1 1. The first One Hundred Million Dollars (\$100,000,000.00)
2 wagered per calendar year for each type of racing shall be
3 distributed as follows provided, that all racing dates exclusively
4 for Thoroughbred racing in a calendar year shall be combined for the
5 purpose of computing taxation rates and all racing dates for mixed
6 racing and all other individual breeds in a calendar year shall be
7 combined but considered separate from Thoroughbred racing for the
8 purpose of computing taxation rates:

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

20 b. ~~Five-ninths~~ five-ninths (5/9) of the eighteen percent
21 (18%) shall be retained by the organization licensee~~+~~,
22 and
23
24

1 c. ~~One-third~~ one-third (1/3) of the eighteen percent
2 (18%) shall be retained by the organization licensee
3 to be distributed as purses for participating horses.

4 2. All money wagered per calendar year for each type of racing
5 in excess of One Hundred Million Dollars (\$100,000,000.00) but not
6 to exceed One Hundred Fifty Million Dollars (\$150,000,000.00) shall
7 be distributed as follows provided, that all racing dates
8 exclusively for Thoroughbred racing in a calendar year shall be
9 combined for the purpose of computing taxation rates and all racing
10 dates for mixed racing and all other individual breeds in a calendar
11 year shall be combined but considered separate from Thoroughbred
12 racing for the purpose of computing taxation rates:

13 a. ~~One-ninth~~ one-ninth (1/9) of the eighteen percent
14 (18%) shall be remitted to the Oklahoma Tax Commission
15 on the first business day following the close of the
16 racing day on which it was assessed. One hundred
17 percent (100%) of the revenue derived pursuant to the
18 provisions of this paragraph shall be apportioned
19 monthly to the ~~General Revenue Fund of the state for~~
20 ~~the support of the state government, to be paid out~~
21 ~~only pursuant to appropriation by the Legislature;~~
22 Oklahoma Horse Racing Commission Operational Expenses
23 Revolving Fund, and
24

- b. ~~Four-ninths~~ four-ninths (4/9) of the eighteen percent (18%) shall be retained by the organization licensee~~+~~, and
- c. ~~One-third~~ one-third (1/3) of the eighteen percent (18%) shall be retained by the organization licensee to be distributed as purses for participating horses~~+~~, and
- d. ~~One-ninth~~ one-ninth (1/9) of the eighteen percent (18%) shall be retained by the organization licensee to be distributed as follows:
- (1) seventy-five percent (75%) as purses for participating horses, and
 - (2) twenty-five percent (25%) shall be remitted to the Commission, at such intervals as required by the Commission, for deposit in the Oklahoma Breeding Development Fund Special Account.

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

- 1 a. ~~One-ninth~~ one-ninth (1/9) of the eighteen percent
2 (18%) shall be remitted to the Oklahoma Tax Commission
3 on the first business day following the close of the
4 racing day on which it was assessed. One hundred
5 percent (100%) of the revenue derived pursuant to the
6 provisions of this paragraph shall be apportioned
7 monthly to the ~~General Revenue Fund of the state for~~
8 ~~the support of the state government, to be paid out~~
9 ~~only pursuant to appropriation by the Legislature;~~
10 Oklahoma Horse Racing Commission Operational Expenses
11 Revolving Fund, and
- 12 b. ~~One-third~~ one-third (1/3) of the eighteen percent
13 (18%) shall be retained by the organization licensee~~+~~,
14 and
- 15 c. ~~One-third~~ one-third (1/3) of the eighteen percent
16 (18%) shall be retained by the organization licensee
17 to be distributed as purses for participating horses~~+~~,
18 and
- 19 d. ~~two-ninths~~ two-ninths (2/9) of the eighteen percent
20 (18%) shall be retained by the organization licensee
21 to be distributed as follows:
22 (1) seventy-five percent (75%) as purses for
23 participating horses, and
24

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

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

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

16 Such amount shall be retained by the organization licensee to be
17 distributed as follows:

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

19 a. ~~Seventy-five~~ seventy-five percent (75%) as purses for
20 participating horses~~7~~1 and

21 b. ~~Twenty-five~~ twenty-five percent (25%) shall be
22 remitted to the Commission, at such intervals or
23 required by the Commission, for deposit in the
24

Oklahoma Breeding Development Fund Special Account~~;~~
and

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

- a. ~~Fifty~~ fifty percent (50%) as purses for participating horses~~;~~ and
- b. ~~Fifty~~ fifty percent (50%) to the organization licensee.

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

- 1. Eighteen percent (18%) pursuant to subsection B of this section;
- 2. Three percent (3%) pursuant to subsection D of this section; and
- 3. Of the remainder, fifty percent (50%) to be distributed as purses for participating horses and fifty percent (50%) to the organization licensee.

F. Organization licensees shall keep accurate books and records of all ~~moneys~~ monies wagered on each day of a race meeting and of the taxes paid pursuant to the provisions of this section. The Oklahoma Tax Commission or an authorized representative shall have

1 access at all reasonable times to such records for the purpose of
2 examining and checking the records and ascertaining whether the
3 proper amount of taxes is being paid. The Oklahoma Tax Commission
4 shall require verified reports and a statement of the total of all
5 ~~moneys~~ monies wagered daily at a race meeting and may prescribe
6 forms upon which such reports and statement shall be made. The
7 organization licensee shall provide the Oklahoma Tax Commission with
8 such space and accommodations as may be necessary for the Oklahoma
9 Tax Commission to implement its duties pursuant to the provisions of
10 the Oklahoma Horse Racing Act.

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

14 H. All monies retained or to be distributed for purses shall be
15 held in trust by the Horsemen's Bookkeeper pursuant to Section 5 of
16 this act for the duly designated horsemen's organization for purses.

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

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

24

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

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

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

22 ~~3.~~ 4. Sixty-five percent (65%) less the adjusted gross revenue
23 derived from one-half (1/2) of the Operational Expenses Revolving
24

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

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

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

19 2. No less than one-half of one percent (0.5%) and no more than
20 three percent (3%) shall be apportioned, according to the
21 requirements of Section 2 of this act, to the Oklahoma Horse Racing
22 Commission Operational Expenses Revolving Fund on the fifteenth day
23 following the end of the month in which the revenue was collected;
24

1 3. Thirty percent (30%) less the adjusted gross revenue derived
2 from one-half (1/2) of the Operational Expenses Revolving Fund
3 Retention Percentage shall be retained by the organization licensee
4 to be distributed according to subsection H of this section; and
5 ~~3.~~ 4. Sixty percent (60%) less the adjusted gross revenue
6 derived from one-half (1/2) of the Operational Expenses Revolving
7 Fund Retention Percentage shall be retained by the organization
8 licensee.

9 C. Each organization licensee shall distribute from retained
10 adjusted gross revenues in excess of Ten Million Dollars
11 (\$10,000,000.00) per calendar year but not to exceed Thirty Million
12 Dollars (\$30,000,000.00) per calendar year generated from any gaming
13 conducted pursuant to this act as follows:

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

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

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

10 ~~3.~~ 4. Sixty percent (60%) less the adjusted gross revenue
11 derived from one-half (1/2) of the Operational Expenses Revolving
12 Fund Retention Percentage shall be retained by the organization
13 licensee.

14 D. Each organization licensee shall distribute from retained
15 adjusted gross revenues in excess of Thirty Million Dollars
16 (\$30,000,000.00) per calendar year but not to exceed Forty Million
17 Dollars (\$40,000,000.00) per calendar year generated by any gaming
18 conducted pursuant to this act as follows:

19 1. Fifteen percent (15%) shall be remitted to the Tax
20 Commission on the fifteenth day following the end of the month in
21 which it was retained. Prior to July 1, 2008, twelve percent (12%)
22 of the revenue derived pursuant to this paragraph shall be
23 apportioned monthly to the Oklahoma Higher Learning Access Trust
24 Fund and eighty-eight percent (88%) of such revenue shall be

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

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

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

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

19 E. Each organization licensee shall distribute from retained
20 adjusted gross revenues in excess of Forty Million Dollars
21 (\$40,000,000.00) per calendar year but not to exceed Fifty Million
22 Dollars (\$50,000,000.00) per calendar year generated from any gaming
23 conducted pursuant to this act as follows:
24

1 1. Twenty percent (20%) shall be remitted to the Tax Commission
2 on the fifteenth day following the end of the month in which it was
3 retained. Prior to July 1, 2008, twelve percent (12%) of the
4 revenue derived pursuant to this paragraph shall be apportioned
5 monthly to the Oklahoma Higher Learning Access Trust Fund and
6 eighty-eight percent (88%) of such revenue shall be apportioned to
7 the Education Reform Revolving Fund. On or after July 1, 2008,
8 twelve percent (12%) of the revenue derived pursuant to this
9 paragraph shall be apportioned monthly to the General Revenue Fund
10 and eighty-eight percent (88%) of such revenue shall be apportioned
11 to the Education Reform Revolving Fund;

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

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

22 ~~3.~~ 4. Fifty-five percent (55%) less the adjusted gross revenue
23 derived from one-half (1/2) of the Operational Expenses Revolving
24

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

3 F. Each organization licensee shall distribute from retained
4 adjusted gross revenues in excess of Fifty Million Dollars
5 (\$50,000,000.00) per calendar year but not to exceed Seventy Million
6 Dollars (\$70,000,000.00) per calendar year generated from any gaming
7 conducted pursuant to this act as follows:

8 1. Twenty-five percent (25%) shall be remitted to the Tax
9 Commission on the fifteenth day following the end of the month in
10 which it was retained. Prior to July 1, 2008, twelve percent (12%)
11 of the revenue derived pursuant to this paragraph shall be
12 apportioned monthly to the Oklahoma Higher Learning Access Trust
13 Fund and eighty-eight percent (88%) of such revenue shall be
14 apportioned to the Education Reform Revolving Fund. On or after
15 July 1, 2008, twelve percent (12%) of the revenue derived pursuant
16 to this paragraph shall be apportioned monthly to the General
17 Revenue Fund and eighty-eight percent (88%) of such revenue shall be
18 apportioned to the Education Reform Revolving Fund;

19 2. No less than one-half of one percent (0.5%) and no more than
20 three percent (3%) shall be apportioned, according to the
21 requirements of Section 2 of this act, to the Oklahoma Horse Racing
22 Commission Operational Expenses Revolving Fund on the fifteenth day
23 following the end of the month in which the revenue was collected;
24

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

6 ~~3.~~ 4. Fifty-two and one-half percent (52 1/2%) less the
7 adjusted gross revenue derived from one-half (1/2) of the
8 Operational Expenses Revolving Fund Retention Percentage shall be
9 retained by the organization licensee.

10 G. Each organization licensee shall distribute from retained
11 adjusted gross revenues in excess of Seventy Million Dollars
12 (\$70,000,000.00) per calendar year generated from any gaming
13 conducted pursuant to this act as follows:

14 1. Thirty percent (30%) shall be remitted to the Tax Commission
15 on the fifteenth day following the end of the month in which it was
16 retained. Prior to July 1, 2008, twelve percent (12%) of the
17 revenue derived pursuant to this paragraph shall be apportioned
18 monthly to the Oklahoma Higher Learning Access Trust Fund and
19 eighty-eight percent (88%) of such revenue shall be apportioned to
20 the Education Reform Revolving Fund. On or after July 1, 2008,
21 twelve percent (12%) of the revenue derived pursuant to this
22 paragraph shall be apportioned monthly to the General Revenue Fund
23 and eighty-eight percent (88%) of such revenue shall be apportioned
24 to the Education Reform Revolving Fund;

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

6 3. Twenty percent (20%) less the adjusted gross revenue derived
7 from one-half (1/2) of the Operational Expenses Revolving Fund
8 Retention Percentage shall be retained by the organization licensee
9 to be distributed according to subsection H of this section; and

10 ~~3.~~ 4. Fifty percent (50%) less the adjusted gross revenue
11 derived from one-half (1/2) of the Operational Expenses Revolving
12 Fund Retention Percentage shall be retained by the organization
13 licensee.

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

22 Each organization licensee shall remit to the official
23 horsemen's organization representing participating horsemen during
24 the live race meets, on the fifteenth day following the end of the

1 month in which they were retained, an amount equal to one and five-
2 tenths percent (1.5%) of the funds generated pursuant to paragraph ~~2~~
3 3 of subsections A through G of this section on a pro rata basis
4 based on the distribution of purse funds available to the breeds of
5 horses participating in the live race meetings with one percent (1%)
6 to be used for administrative expenses and five-tenths of one
7 percent (0.5%) to provide funding for a benevolence program at each
8 racetrack to benefit participating horsemen and their employees.
9 Such benevolence program shall provide medical benefits or services
10 to persons associated with the horse racing industry who are in
11 financial need.

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

22 Subject to the provisions of subsection I of this section, the
23 remainder of the funds generated pursuant to paragraph ~~2~~ 3 of
24

1 subsections A through G of this section shall be distributed by the
2 organization licensee as purses for participating horses as follows:

3 1. For organization licensees that conduct one or more race
4 meetings dedicated to Thoroughbred racing and one or more race
5 meetings dedicated to Quarter Horse, Paint and Appaloosa horse
6 racing, fifty percent (50%) to purses for Thoroughbred races, forty-
7 five percent (45%) to purses for Quarter Horse races, and five
8 percent (5%) to purses for Paint and Appaloosa races; and

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

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

21 All Oklahoma Breeding Development Fund Special Account monies
22 generated pursuant to this section shall not be subject to a
23 reduction pursuant to paragraph 7 of subsection B of Section 208.3
24 of this title.

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

7 K. For purposes of this act a "recipient licensee" means an
8 organization licensee operating a racetrack location at which an
9 organization licensee is licensed to conduct a race meeting pursuant
10 to the provisions of Section 208.2 of this title located in a county
11 with a population exceeding five hundred thousand (500,000) persons,
12 according to the most recent federal decennial census, and a
13 "participating tribe" means a tribe which operates a gaming facility
14 within a radius of twenty (20) miles from the enclosure of a
15 recipient licensee pursuant to a compact set forth in Section 281 of
16 this title. Such compact shall require that a participating tribe
17 contribute a percentage of its "monthly average take" from
18 electronic amusement games, electronic bonanza-style bingo games and
19 electronic instant bingo games (hereinafter referred to collectively
20 as "electronic covered games") as defined in that tribe's Gaming
21 Compact as long as the prohibition against fair associations or
22 organizations licensed pursuant to Section 208.2 of this title
23 conducting authorized gaming under this act as set forth in
24 subsection A of Section 262 of this title remains in effect.

1 Participating tribes shall make contributions in accordance with the
2 following requirements:

3 1. Each participating tribe shall calculate its monthly average
4 take for electronic covered games for each calendar month of
5 operation of electronic covered games. For purposes of this
6 paragraph, the "monthly average take" shall mean all adjusted gross
7 revenue from electronic covered games at the tribal gaming
8 facilities that are located within a radius of twenty (20) miles
9 from the enclosure of a recipient licensee during the applicable
10 calendar month, divided by the number of electronic covered games
11 operated by the tribe at the gaming facility during the applicable
12 calendar month;

13 2. Each participating tribe shall calculate its pro rata share
14 of the payments required by this subsection, based on the number of
15 electronic covered games in the tribal gaming facilities within the
16 twenty-mile radius described in paragraph 1 of this subsection,
17 during the applicable calendar month ("tribal share"). As an
18 example only, if three (3) tribes participate in this subsection
19 during a calendar month, and have the respective number of games in
20 the amount of 500, 1,000, and 1,000, then the payments called for in
21 paragraph 3 of this subsection would be multiplied by twenty percent
22 (20%), forty percent (40%) and forty percent (40%) to determine each
23 tribe's pro rata share; and
24

1 3. Each participating tribe shall make the following payments
2 no later than the fifteenth day following the end of the applicable
3 calendar month, with the first payment to be due no later than the
4 fifteenth day following the end of the first month in which a
5 participating tribe commences gaming operations pursuant to the
6 compact set out in Section 281 of this title:

7 a. the tribe shall pay its pro rata share of the product
8 of 450 multiplied by .05 multiplied by the greater of
9 Seven Thousand Four Hundred Eight Dollars (\$7,408.00)
10 or the tribe's monthly average take for the applicable
11 month to the recipient licensee, and

12 b. the tribe shall pay its pro rata share of the product
13 of 450 multiplied by .25 multiplied by the tribe's
14 monthly average take for the applicable month to the
15 Oklahoma Horse Racing Commission to be used as
16 directed by purse committees for the following
17 purposes:

18 (1) distributed to organization licensees for purses
19 for participating horses,

20 (2) paid to the Oklahoma Breeding Development Fund
21 Special Account. The amount designated for
22 deposit into the Oklahoma Breeding Development
23 Fund Special Account shall never be less than
24 nine percent (9%) of the funds generated nor more

1 than thirty-three percent (33%) of the total
2 designated funds for horsemen participating in
3 any race meeting, and

4 (3) paid to the official horsemen's representatives
5 and to the breeding organizations designated by
6 the official horsemen's representatives and to
7 the breeding organizations designated by the
8 official horsemen's representatives to be used to
9 pay their administrative expenses and to fund
10 their benevolence programs. In no event shall
11 the amount designated for such administrative
12 expenses exceed one percent (1%) of the funds
13 generated nor shall the monies designated for
14 benevolence programs exceed five-tenths of one
15 percent (0.5%) of the funds generated.

16 L. The "purse committees" shall be comprised of the official
17 elected horsemen representatives for each breed as designated in
18 Section 267 of this title. The total contribution of the
19 participating tribes made pursuant to subparagraph b of paragraph 3
20 of subsection K of this section shall be distributed as directed by
21 the purse committees based on the following formula, to wit: fifty
22 percent (50%) by the purse committee representing Thoroughbred
23 horses; forty percent (40%) by the purse committee representing
24

1 Quarter Horses; and ten percent (10%) by the purse committee
2 representing Paint and Appaloosa horses.

3 The purse committees shall meet at least sixty (60) days prior
4 to the beginning of a calendar year to provide directions for
5 placement of the purse funds described in subparagraph b of
6 paragraph 3 subsection K of this section with one or more
7 organization licensees for the succeeding calendar year. In
8 providing such directions the purse committees shall consider and
9 attempt to achieve the following preferences in the order set forth
10 below:

11 FIRST. Through the use of no more than fifty percent (50%) of
12 the purse funds available for distribution under this section,
13 maintaining the purse structures of any organization licensee
14 operating a racetrack location located in a county with a population
15 exceeding six hundred thousand (600,000) persons, according to the
16 most recent federal decennial census, at a level that is competitive
17 with the purse structures of similarly situated race tracks,
18 including those in surrounding states, and that will encourage the
19 participation by horsemen in that organization licensee's race meet
20 or meets; and

21 SECOND. Maintaining the purse structures of the organization
22 licensee closest in geographic proximity to the location where the
23 purse funds described in subparagraph b of paragraph 3 of subsection
24 K of this section were generated at a level that is competitive with

1 the purse structures of similarly situated race tracks, including
2 those in surrounding states, and that will encourage the
3 participation by horsemen in that organization licensee's race meet
4 or meets; and

5 THIRD. Maintaining the purse structures of the remaining
6 organization licensees in the state at a level that will encourage
7 the participation by horsemen in those organization licensees' race
8 meet or meets.

9 M. Organization licensees shall keep accurate books and records
10 of all revenue generated by any gaming conducted pursuant to the
11 State-Tribal Gaming Act and of the taxes paid pursuant to the
12 provisions of this section. The Oklahoma Tax Commission or an
13 authorized representative shall have access at all reasonable times
14 to such records for the purpose of examining and checking the
15 records and ascertaining whether the proper amount of taxes is being
16 paid. The Oklahoma Tax Commission shall require verified reports
17 and a statement of the total of all revenue generated by any gaming
18 conducted by an organization licensee pursuant to the provisions of
19 the State-Tribal Gaming Act.

20 N. The Oklahoma Horse Racing Commission is hereby authorized to
21 provide repayment of amounts collected pursuant to paragraph 2 of
22 subsections A through G of this section on a pro rata basis to be
23 paid from the Oklahoma Horse Racing Commission Operational Expenses
24 Revolving Fund.

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

4 Section 282. A. The Oklahoma Horse Racing Commission is
5 authorized to charge an application fee of Fifty Thousand Dollars
6 (\$50,000.00) to each organization licensee which desires to conduct
7 gaming pursuant to the State-Tribal Gaming Act or which receives any
8 funds as a "recipient licensee" as that term is defined by the State
9 Tribal Gaming Act and desires to conduct pari-mutuel wagering in
10 this state. Such fee must be paid prior to any organization
11 licensee being authorized by the Oklahoma Horse Racing Commission to
12 conduct gaming pursuant to the State-Tribal Gaming Act.

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

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

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

10 E. The application fee authorized in subsection A of this
11 section and any assessment authorized in subsection B of this
12 section and any fee authorized in subsection ~~G~~ F of this section
13 collected by the Commission shall be deposited in the "Oklahoma
14 Horse Racing Commission ~~Gaming Regulation~~ Operational Expenses
15 Revolving Fund" ~~hereby created.~~ The fund shall be a continuing fund
16 ~~not subject to fiscal year limitations and shall consist of the~~
17 ~~monies received by the Commission from any assessment and fee levied~~
18 ~~pursuant to the provisions of this section and any other monies~~
19 ~~designated for deposit thereto. All monies accruing to the credit~~
20 ~~of the fund are hereby appropriated and may be budgeted and expended~~
21 ~~by the Commission to pay the costs, both direct and indirect, of the~~
22 ~~Commission incurred to regulate gaming conducted by an organization~~
23 ~~licensee pursuant to the State Tribal Gaming Act. Expenditures from~~
24 ~~said fund shall be made upon warrants issued by the State Treasurer~~

1 ~~against claims filed as prescribed by law with the Director of the~~
2 ~~Office of Management and Enterprise Services for approval and~~
3 ~~payment.~~ On the effective date of this act, the Oklahoma Horse
4 Racing Commission Gaming Regulation Revolving Fund shall be closed
5 and any unencumbered balance shall be transferred to the Oklahoma
6 Horse Racing Commission Operational Expenses Revolving Fund created
7 by Section 1 of this act.

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

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

21	Manufacturer License	\$10,000.00
22	Distributor License	\$5,000.00
23	Manufacturer/Distributor License	\$10,000.00
24	Independent Testing Laboratory License	\$5,000.00

1	Vendor License	\$500.00
2	Key Executive License	\$250.00
3	Gaming Employee License	\$50.00
4	Manufacturer, Distributor, or	
5	Manufacturer/Distributor Employee	
6	License	\$50.00
7	Vendor Employee License	\$50.00
8	Background Investigative fee for the following	
9	occupation gaming license categories:	
10	Manufacturer, Distributor,	
11	Manufacturer/Distributor, Independent	
12	Testing Laboratory, Racetrack Gaming	
13	Operator, Key Executive	\$50.00 per hour
14		plus expenses
15	Background Investigative fee for the following	
16	occupation gaming license categories:	
17	Gaming Employee, Vendor Employee	\$50.00
18	Fingerprint fees shall be charged as required	
19	by the Oklahoma State Bureau of Investigation	
20	and the Federal Bureau of Investigation.	
21	SECTION 8. REPEALER 3A O.S. 2011, Section 204.1A, is	
22	hereby repealed.	
23	SECTION 9. This act shall become effective July 1, 2017.	
24		

1 SECTION 10. It being immediately necessary for the preservation
2 of the public peace, health or 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.

5
6 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
7 03/02/2017 - DO PASS, As Amended and Coauthored.
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