

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

CONFERENCE COMMITTEE
SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 3693

By: Culver of the House

and

Stephens of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to amusements and sports; amending 3A O.S. 2021, Sections 201 and 208.3, which relate to the Oklahoma Horse Racing Commission; modifying appointment of members of the Commission; providing for appointing procedure if there is a vacancy; prohibiting the Commission from expending certain funds when other funds are available; and providing an effective date.

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

SECTION 1. AMENDATORY 3A O.S. 2021, Section 201, is amended to read as follows:

Section 201. A. There is hereby created the Oklahoma Horse Racing Commission, which shall consist of the following nine (9) members:

1. One member who shall be from the First Congressional District, one member who shall be from the Second Congressional District, one member who shall be from the Third Congressional

1 District, one member who shall be from the Fourth Congressional
2 District, and one member who shall be from the Fifth Congressional
3 District appointed by the Governor ~~with the advice and consent of~~
4 and confirmed by the Senate;

5 2. One at large member who shall be experienced in the horse
6 racing industry and from the state and one at large member who may
7 be experienced in the horse racing industry and who shall be from
8 the state appointed by the Speaker of the Oklahoma House of
9 Representatives; and

10 3. One at large member who shall be experienced in the horse
11 racing industry and from the state and one at large member who shall
12 be experienced in the horse racing industry and from the state
13 appointed by the President Pro Tempore of the Oklahoma State Senate.

14 4. In the event of a vacancy that qualifies for an appointment
15 under subsections 2 or 3 above, the Speaker of the House and the
16 President Pro Tempore shall have alternating appointments; provided,
17 however, the Speaker of the House shall make the initial
18 appointment.

19 ~~At least one member shall be appointed from each congressional~~
20 ~~district, and at least three of the remaining members shall be~~
21 ~~experienced in the horse industry and shall be appointed from the~~
22 ~~state at large. However, when~~ When ~~congressional districts are~~
23 ~~redrawn, each member appointed~~ and confirmed by the Senate, if
24 applicable, prior to July 1 of the year in which such modification

1 becomes effective shall complete the current term of office, and
2 appointments made and confirmed by the Senate, if applicable, after
3 July 1 of the year in which such modification becomes effective
4 shall be based on the redrawn districts. Appointments made after
5 July 1 of the year in which such modification becomes effective
6 shall be from any redrawn districts which are not represented by a
7 board member until such time as each of the modified congressional
8 districts is represented by a board member.

9 B. To be eligible for appointment to the Commission, a person
10 shall:

11 1. Be a citizen of the United States;

12 2. Have been a resident of this state for five (5) years
13 immediately preceding the appointment; and

14 3. Not have been convicted of a felony pursuant to the laws of
15 this state, the laws of any other state, or the laws of the United
16 States as established by a national criminal history record check as
17 defined by Section 150.9 of Title 74 of the Oklahoma Statutes.

18 C. The term of office of a member of the Commission shall be
19 for six (6) years and until a successor is appointed and qualified.

20 D. ~~The Governor~~ Each appointing authority may remove any member
21 ~~of he or she appointed to~~ the Commission for incompetence, neglect
22 of duty, or malfeasance in office upon first giving the member a
23 copy of the charges and an opportunity to be heard. A vacancy on
24

1 the Commission shall be filled for the unexpired term by appointment
2 made by the ~~Governor~~ appropriate appointing authority.

3 SECTION 2. AMENDATORY 3A O.S. 2021, Section 208.3, is
4 amended to read as follows:

5 Section 208.3 A. There is hereby created in the State Treasury
6 an agency special account for the Oklahoma Horse Racing Commission,
7 to be designated the "Oklahoma Breeding Development Fund Special
8 Account". The fund shall be a continuing fund, not subject to
9 fiscal year limitations, and shall consist of all monies received by
10 the Commission for deposit in the fund pursuant to Section 205.6 of
11 this title and from revenue received as breakage and from unclaimed
12 pari-mutuel tickets. All monies accruing to the credit of the fund
13 are hereby appropriated and may be budgeted and expended by the
14 Commission for the purposes specified in subsection B of this
15 section. Expenditures from the fund shall be made upon vouchers
16 prescribed by the State Treasurer and issued by the Commission
17 against the Oklahoma Breeding Development Fund Special Account. The
18 official registering agency designated by the Commission pursuant to
19 subsection D of this section shall verify the current eligibility of
20 a participating horse prior to distributing any purse supplement,
21 stake, reward or award from the Oklahoma Breeding Development Fund
22 Special Account. Any person entitled to monies from the Oklahoma
23 Breeding Development Fund Special Account as a purse supplement,
24 stake, reward, or award (awards), will forfeit such monies if that

1 person fails to comply with all requirements necessary for earning
2 the awards. Further, any such person will forfeit such monies if,
3 within one (1) year from the date of the race in which such award
4 was earned, that person does not submit the state voucher for
5 payment or for replacement in the event of an expired voucher, or if
6 that person fails to submit all documentation required by the
7 Oklahoma Horse Racing Commission. In such event, monies accrued
8 from forfeiture will be returned to the Oklahoma Breeding
9 Development Fund Special Account for expenditure by the Commission
10 for the purposes specified in subsection B of this section.

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

14 1. To provide purse supplements to owners of Oklahoma-bred
15 horses;

16 2. To provide stakes and rewards to be paid to the owners of
17 the winning Oklahoma-bred horses in certain horse races;

18 3. To provide stallion awards to the owner of the Oklahoma
19 stallion which is the sire of an Oklahoma-bred horse if such a horse
20 wins any race conducted at a race meeting;

21 4. To provide breeders awards to the owner of the Oklahoma-
22 registered mare which is the dam of an Oklahoma-bred horse if such a
23 horse wins any race conducted at a race meeting;

1 5. To provide monies for equine research through state
2 institutions accredited for the same;

3 6. To provide monies for use in marketing, promoting and
4 advertising the Oklahoma-Bred Program and the Oklahoma horse racing
5 industry to the people of Oklahoma, the United States and abroad;

6 7. To provide for the administration of the Oklahoma Breeding
7 Development Program. The Oklahoma Horse Racing Commission is hereby
8 authorized to utilize up to fifteen percent (15%) of the prior
9 year's receipts for administration. All expenses reimbursed as
10 administrative pursuant to this subsection shall be itemized and
11 audited pursuant to subsection E of this section. Any monies
12 transferred from the Oklahoma Breeding Development Fund Special
13 Account to the Oklahoma Breeding Development Revolving Fund for
14 administrative reimbursement found to be unsubstantiated, excessive
15 or ineligible for reimbursement by the audit shall be returned to
16 the Oklahoma Breeding Development Fund Special Account within thirty
17 (30) days of the conclusion of the audit; and

18 8. To provide, upon the request of an official horsemen's
19 representative organization for a breed, funding to any nonprofit
20 entity that is based in Oklahoma and exempt from taxation pursuant
21 to the provisions of the United States Internal Revenue Code, 26
22 U.S.C. Section 501(c), for the purpose of providing care of retired
23 and unwanted Oklahoma-bred racing stock of the particular breed of
24 horse represented by the requesting organization. Provided,

1 however, that no monies shall be expended by the Commission for the
2 purpose of this paragraph if federal funds are available for the
3 same purpose.

4 C. By rule the Commission shall:

5 1. Define the term "Oklahoma-bred horse";

6 2. Qualify stallions for participation in Oklahoma-bred
7 stallion awards;

8 3. Provide for the registration of Oklahoma-domiciled mares and
9 stallions and Oklahoma-bred horses. No such horse shall compete in
10 the races limited to Oklahoma-bred horses unless registered with the
11 Commission. The Commission may prescribe such forms as are
12 necessary to determine the eligibility of such horses; provided,
13 breeding stallions shall be eligible for registration in the
14 Oklahoma-bred breeding program until July 1 of the breeding year.
15 No person shall knowingly prepare or cause preparation of an
16 application for registration of such foals which contains false
17 information;

18 4. Establish a schedule of fees for the registration of
19 Oklahoma-domiciled mares and stallions and Oklahoma-bred horses
20 sufficient to provide for all expenses incurred in the
21 administration of the Oklahoma Breeding Development Fund Special
22 Account;

23 5. Allow a mare registered as Oklahoma-bred racing stock which
24 has not been registered as an Oklahoma broodmare prior to foaling to

1 be registered as an Oklahoma broodmare upon payment of the
2 registration fee and a late fee not to exceed Two Hundred Dollars
3 (\$200.00), which action shall entitle the foals of the mare to be
4 registered as Oklahoma-bred horses, provided all other
5 qualifications of the Commission are met; and

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

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

21 SECTION 3. This act shall become effective November 1, 2024.
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