

## FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2965 \_\_\_\_\_  
Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by  
inserting in lieu thereof the following language:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Adopted: \_\_\_\_\_

Amendment submitted by: Bob Culver

\_\_\_\_\_

\_\_\_\_\_  
Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 FLOOR SUBSTITUTE

4 FOR

HOUSE BILL NO.2965

By: Culver

7 FLOOR SUBSTITUTE

8 An Act relating to horse racing; amending 3A O.S.  
9 2021, Sections 205.6, 205.6a, and 205.7a, which  
10 relate to the Oklahoma Horse Racing Act; providing  
11 exception; permitting certain races to be televised  
12 at certain racetracks, out of state, or out of  
13 country; and providing an effective date.

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

15 SECTION 1. AMENDATORY 3A O.S. 2021, Section 205.6, is  
16 amended to read as follows:

17 Section 205.6 A. Any organization licensee conducting a race  
18 meeting may provide places on the race meeting grounds at which it  
19 may conduct and supervise the pari-mutuel system of wagering on the  
20 horse races conducted by the organization licensee at the race  
21 meeting. No other place or method of betting, pool making,  
22 wagering, or gambling shall be used or permitted by the organization  
23 licensee. The pari-mutuel system of wagering shall be permitted  
24 only on horse races conducted at a racetrack where such pari-mutuel

1 system of wagering is authorized pursuant to the provisions of the  
2 Oklahoma Horse Racing Act.

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

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

15 a. one-ninth (1/9) of the eighteen percent (18%) shall be  
16 remitted to the Oklahoma Tax Commission on the first  
17 business day following the close of the racing day on  
18 which it was assessed. One hundred percent (100%) of  
19 the revenue derived pursuant to the provisions of this  
20 paragraph shall be apportioned monthly to the Oklahoma  
21 Horse Racing Commission Operational Expenses Revolving  
22 Fund, and

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

1           c.    one-third (1/3) of the eighteen percent (18%) shall be  
2               retained by the organization licensee to be  
3               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 (1/9) of the eighteen percent (18%) shall be  
14               remitted to the Oklahoma Tax Commission on the first  
15               business day following the close of the racing day on  
16               which it was assessed. One hundred percent (100%) of  
17               the revenue derived pursuant to the provisions of this  
18               paragraph shall be apportioned monthly to the Oklahoma  
19               Horse Racing Commission Operational Expenses Revolving  
20               Fund, and

21           b.   four-ninths (4/9) of the eighteen percent (18%) shall  
22               be retained by the organization licensee, and  
23  
24

1           c.    one-third (1/3) of the eighteen percent (18%) shall be  
2               retained by the organization licensee to be

3               distributed as purses for participating horses, and

4           d.    one-ninth (1/9) of the eighteen percent (18%) shall be  
5               retained by the organization licensee to be

6               distributed as follows:

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

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

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

21           a.    one-ninth (1/9) of the eighteen percent (18%) shall be  
22               remitted to the Oklahoma Tax Commission on the first  
23               business day following the close of the racing day on  
24               which it was assessed. One hundred percent (100%) of

1 the revenue derived pursuant to the provisions of this  
2 paragraph shall be apportioned monthly to the Oklahoma  
3 Horse Racing Commission Operational Expenses Revolving  
4 Fund, and

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

7 c. one-third (1/3) of the eighteen percent (18%) shall be  
8 retained by the organization licensee to be

9 distributed as purses for participating horses, and

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

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

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

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

23 D. In addition to the amount required to be retained by the  
24 provisions of subsection B of this section, each organization

1 licensee holding a race meeting at which the pari-mutuel system of  
2 wagering is conducted shall retain an additional amount equal to  
3 three percent (3%) of all money wagered on multiple race wagers  
4 involving not to exceed two races and on multiple horse wagers not  
5 to exceed two horses in the same race.

6 Such amount shall be retained by the organization licensee to be  
7 distributed as follows:

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

9 a. seventy-five percent (75%) as purses for participating  
10 horses, and

11 b. twenty-five percent (25%) shall be remitted to the  
12 Commission, at such intervals as required by the  
13 Commission, for deposit in the Oklahoma Breeding  
14 Development Fund Special Account; and

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

17 a. fifty percent (50%) as purses for participating  
18 horses, and

19 b. fifty percent (50%) to the organization licensee.

20 E. Each organization licensee shall retain an amount not less  
21 than twenty-one percent (21%) nor greater than twenty-five percent  
22 (25%) of all money wagered on multiple race wagers involving more  
23 than two races, and on multiple horse wagers involving more than two  
24 horses such amount shall be distributed as follows:

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

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

5        3. Of the remainder, fifty percent (50%) to be distributed as  
6 purses for participating horses and fifty percent (50%) to the  
7 organization licensee.

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

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



1 H. All monies retained or to be distributed for purses shall be  
2 held in trust by the Horsemen's Bookkeeper pursuant to Section  
3 208.13 of this title for the duly designated horsemen's organization  
4 for purses.

5 I. Notwithstanding any other provisions of this act, this  
6 section shall not apply to any agreements subject to the Interstate  
7 Horse Racing Act of 1978, 15 U.S.C., Section 3004(a) et seq.,  
8 pertaining to the export signal of live races across state lines.

9 SECTION 2. AMENDATORY 3A O.S. 2021, Section 205.6a, is  
10 amended to read as follows:

11 Section 205.6a A. Any organization licensee shall file with  
12 the Oklahoma Horse Racing Commission its plan to conduct pari-mutuel  
13 wagering at a facility or facilities located outside the  
14 organization licensee's racing enclosure. Such pari-mutuel wagering  
15 may be conducted at any time as authorized by the Commission. The  
16 conducting of pari-mutuel wagering at a facility outside the  
17 organization licensee's enclosure is subject to the following:

18 1. Pari-mutuel wagering shall be permitted only in a county  
19 which approves or has approved the conducting of pari-mutuel horse  
20 racing in that county pursuant to the provisions of Section 209 of  
21 this title;

22 2. Pari-mutuel wagering conducted by an organization licensee  
23 shall not be permitted within thirty (30) miles of another  
24

1 organization licensee's racing enclosure without the express  
2 permission granted by the other organization licensee;

3 3. All pari-mutuel wagering facilities located outside any  
4 organization licensee's racing enclosure shall be operated in  
5 accordance with all applicable rules of the Oklahoma Horse Racing  
6 Commission Rules of Racing (Pari-Mutuel Edition);

7 4. The organization licensee sending its racing signal to a  
8 facility or facilities outside its racing enclosure may combine the  
9 pari-mutuel pools of all facilities with those of the organization  
10 licensee for the purpose of determining odds and computing payoffs.  
11 The amount of money to be retained and distributed by the  
12 organization licensee and to be remitted to the Oklahoma Tax  
13 Commission from money wagered pursuant to the provisions of this  
14 section shall be the same as set forth in paragraph 1 of subsection  
15 B, in subsection D, and in subsection E of Section 205.6 of this  
16 title and in Section 208.2 of this title;

17 5. One percent (1%) of the total monies wagered at a facility  
18 other than an organization licensee's racing enclosure shall be  
19 distributed from the amount retained pursuant to paragraph 4 of this  
20 subsection as follows:

- 21 a. ten percent (10%) to the State Auditor and Inspector  
22 for the purpose of auditing such facilities, and
- 23 b. forty-five percent (45%) to the county in which the  
24 facility is located, and

- c. forty-five percent (45%) to the city in which the facility is located, or
- d. if the facility is not located within the corporate limits of any city, ninety percent (90%) to the county in which the facility is located;

6. The distribution for purses at facilities other than an organization licensee's racing enclosures shall be:

- a. six and one-half percent (6.5%) of total handle during the first thirty-six (36) months after the opening of a facility in a county, and
- b. seven and one-half percent (7.5%) of total handle thereafter.

Upon completion of three hundred sixty-five (365) calendar days since the opening of a facility in a county, the thirty-six-month period commences retroactive to the opening of that facility. If the facility does not operate for three hundred sixty-five (365) calendar days, a new facility may be opened and operated, with the thirty-six-month period commencing consistent with this paragraph. If a facility terminates operation after the three-hundred-sixty-fifth calendar day, all days shall be allotted to subsequent facilities not to exceed one thousand ninety-five (1,095) calendar days per facility; and

7. The organization licensee, after the distribution to the Oklahoma Tax Commission pursuant to the provisions of paragraph 4 of

1 this subsection and distributions pursuant to paragraphs 5 and 6 of  
2 this subsection, shall retain the balance of the monies wagered.

3 B. Notification by an organization licensee to conduct pari-  
4 mutuel wagering at a facility or facilities outside of the  
5 organization licensee's racing enclosure shall be made annually to  
6 the Oklahoma Horse Racing Commission. An organization licensee may  
7 make an original notification to conduct pari-mutuel wagering at a  
8 facility or facilities outside of the organization licensee's racing  
9 enclosure at any time.

10 C. All persons employed in the actual conduct of pari-mutuel  
11 wagering at a facility outside an organization licensee's racing  
12 enclosure shall be licensed by the Commission, consistent with  
13 Section 204.2 of this title.

14 D. Breakage and unclaimed ticket proceeds shall be distributed  
15 in the manner applicable to the races of the racing program of the  
16 organization licensee sending the racing program.

17 E. All monies retained or to be distributed for purses shall be  
18 held in trust by the Horsemen's Bookkeeper pursuant to Section ~~5~~  
19 208.13 of this ~~act~~ title for the duly designated horsemen's  
20 organization for purses.

21 F. Notwithstanding any other provisions of this act, this  
22 section shall not apply to any agreements subject to the Interstate  
23 Horse Racing Act of 1978, 15 U.S.C., Section 3004(a) et seq.,  
24 pertaining to the export signal of live races across state lines.

1       SECTION 3.       AMENDATORY       3A O.S. 2021, Section 205.7a, is  
2 amended to read as follows:

3       Section 205.7a   A.   Any race run at any racetrack licensed by  
4 the Oklahoma Horse Racing Commission may be televised to another  
5 racetrack licensed by the Commission or may be televised out of  
6 state or out of country.

7       B.   Any organization licensee that televises races out of state  
8 or out of country and accepts full-card out-of-state ~~simulcast~~  
9 wagering at any time during a calendar year shall be required to  
10 televise to all other racetracks licensed by the ~~Oklahoma Horse~~  
11 ~~Racing~~ Commission all of its live races, or the number of days of  
12 its live racing which is equivalent to the number of days of live  
13 racing conducted at the receiving track, whichever is less. Pari-  
14 mutuel wagering may be conducted on such races at all other  
15 racetracks licensed by the Oklahoma Horse Racing Commission and may  
16 be allowed at their in-state offtrack pari-mutuel wagering  
17 facilities or at any other racetrack or entity in another state or  
18 country. Money wagered on such races may be placed in separate or  
19 common pools as determined by rules of the Oklahoma Horse Racing  
20 Commission. A written application to televise a race shall contain  
21 the details of such race, its agreements and contracts, and shall be  
22 submitted to the Oklahoma Horse Racing Commission for its approval  
23 prior to the racing event. Such agreement shall comply with all  
24 applicable laws of the United States and the laws of this state.

1 The proceeds of the agreement shall be distributed in the same  
2 manner as money wagered pursuant to the provisions of paragraph 1 of  
3 subsection B, in subsection D, and in subsection E of Section 205.6  
4 of this title and Section 208.2 of this title, except for those  
5 agreements subject to the Interstate Horse Racing Act of 1978, 15  
6 U.S.C., Section 3004(a) et seq., pertaining to the export signal of  
7 live races across state lines.

8 ~~B.~~ C. For the days on which a licensed track within this state  
9 does not conduct live racing but conducts pari-mutuel wagering on  
10 races televised from another licensed track within this state or on  
11 out-of-state races, the conducting of pari-mutuel wagering shall not  
12 be considered racing days for the purposes of this title.

13 ~~C.~~ D. When any licensed track within this state conducts pari-  
14 mutuel wagering on races televised from another licensed track  
15 within this state, the receiving licensee shall not retransmit the  
16 sending licensee's signal without the express permission of the  
17 sending licensee.

18 ~~D.~~ E. Breakage and unclaimed ticket proceeds shall be  
19 distributed in the manner applicable to the races of the racing  
20 program of the organization licensees who are sending and receiving  
21 the racing program.

22 SECTION 4. This act shall become effective November 1, 2024.  
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24 59-2-10682 CMA 03/05/24

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