1	SENATE FLOOR VERSION
2	April 4, 2024 AS AMENDED
3	ENGROSSED HOUSE
4	BILL NO. 3693 By: Culver of the House
5	and
6	Stephens of the Senate
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8	An Act relating to amusements and sports; amending 3A
9	O.S. 2021, Section 208.3, which relates to the Oklahoma Horse Racing Commission; prohibiting the Commission from expending certain funds when other funds are available; and providing an effective date.
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12	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
13	SECTION 1. AMENDATORY 3A O.S. 2021, Section 208.3, is
14	amended to read as follows:
15	Section 208.3 A. There is hereby created in the State Treasury
16	an agency special account for the Oklahoma Horse Racing Commission,
17	to be designated the "Oklahoma Breeding Development Fund Special
18	Account". The fund shall be a continuing fund, not subject to
19	fiscal year limitations, and shall consist of all monies received by
20	the Commission for deposit in the fund pursuant to Section 205.6 of
21	this title and from revenue received as breakage and from unclaimed
22	pari-mutuel tickets. All monies accruing to the credit of the fund
23	are hereby appropriated and may be budgeted and expended by the
24	Commission for the purposes specified in subsection B of this

1 section. Expenditures from the fund shall be made upon vouchers 2 prescribed by the State Treasurer and issued by the Commission against the Oklahoma Breeding Development Fund Special Account. 3 official registering agency designated by the Commission pursuant to 4 5 subsection D of this section shall verify the current eliqibility of a participating horse prior to distributing any purse supplement, 6 stake, reward or award from the Oklahoma Breeding Development Fund 7 Special Account. Any person entitled to monies from the Oklahoma 9 Breeding Development Fund Special Account as a purse supplement, stake, reward, or award (awards), will forfeit such monies if that 10 person fails to comply with all requirements necessary for earning 11 12 the awards. Further, any such person will forfeit such monies if, within one (1) year from the date of the race in which such award 13 was earned, that person does not submit the state voucher for 14 payment or for replacement in the event of an expired voucher, or if 15 that person fails to submit all documentation required by the 16 Oklahoma Horse Racing Commission. In such event, monies accrued 17 from forfeiture will be returned to the Oklahoma Breeding 18 Development Fund Special Account for expenditure by the Commission 19 for the purposes specified in subsection B of this section. 20

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

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- 2. To provide stakes and rewards to be paid to the owners of the winning Oklahoma-bred horses in certain horse races;
- 3. To provide stallion awards to the owner of the Oklahoma stallion which is the sire of an Oklahoma-bred horse if such a horse wins any race conducted at a race meeting;
- 4. To provide breeders awards to the owner of the Oklahomaregistered mare which is the dam of an Oklahoma-bred horse if such a
 horse wins any race conducted at a race meeting;
- 5. To provide monies for equine research through state institutions accredited for the same;
- 6. To provide monies for use in marketing, promoting and advertising the Oklahoma-Bred Program and the Oklahoma horse racing industry to the people of Oklahoma, the United States and abroad;
- 7. To provide for the administration of the Oklahoma Breeding Development Program. The Oklahoma Horse Racing Commission is hereby authorized to utilize up to fifteen percent (15%) of the prior year's receipts for administration. All expenses reimbursed as administrative pursuant to this subsection shall be itemized and audited pursuant to subsection E of this section. Any monies transferred from the Oklahoma Breeding Development Fund Special Account to the Oklahoma Breeding Development Revolving Fund for administrative reimbursement found to be unsubstantiated, excessive

- or ineligible for reimbursement by the audit shall be returned to
 the Oklahoma Breeding Development Fund Special Account within thirty
 displays of the conclusion of the audit; and
 - 8. To provide, upon the request of an official horsemen's representative organization for a breed, funding to any nonprofit entity that is based in Oklahoma and exempt from taxation pursuant to the provisions of the United States Internal Revenue Code, 26

 U.S.C. Section 501(c), for the purpose of providing care of retired and unwanted Oklahoma-bred racing stock of the particular breed of horse represented by the requesting organization. Provided,

 however, that no monies shall be expended by the Commission for the purpose of this paragraph if federal funds or funds from the

 Horseracing Integrity and Safety Authority are available for the same purpose.
 - C. By rule the Commission shall:

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- 1. Define the term "Oklahoma-bred horse";
- 2. Qualify stallions for participation in Oklahoma-bred stallion awards;
- 3. Provide for the registration of Oklahoma-domiciled mares and stallions and Oklahoma-bred horses. No such horse shall compete in the races limited to Oklahoma-bred horses unless registered with the Commission. The Commission may prescribe such forms as are necessary to determine the eligibility of such horses; provided, breeding stallions shall be eligible for registration in the

- 1 Oklahoma-bred breeding program until July 1 of the breeding year.
- 2 | No person shall knowingly prepare or cause preparation of an
- 3 application for registration of such foals which contains false
- 4 information;
- 5 4. Establish a schedule of fees for the registration of
- 6 Oklahoma-domiciled mares and stallions and Oklahoma-bred horses
- 7 sufficient to provide for all expenses incurred in the
- 8 administration of the Oklahoma Breeding Development Fund Special
- 9 Account;
- 5. Allow a mare registered as Oklahoma-bred racing stock which
- 11 has not been registered as an Oklahoma broodmare prior to foaling to
- 12 be registered as an Oklahoma broodmare upon payment of the
- 13 registration fee and a late fee not to exceed Two Hundred Dollars
- 14 (\$200.00), which action shall entitle the foals of the mare to be
- 15 registered as Oklahoma-bred horses, provided all other
- 16 | qualifications of the Commission are met; and
- 17 6. Establish criteria which a nonprofit entity based in
- 18 Oklahoma must meet to be eligible to receive funds for the purpose
- 19 of caring for retired and unwanted Oklahoma-bred racing stock.
- 20 D. The Commission may contract with and designate an official
- 21 registering agency to implement the registration of horses and the
- 22 payment of awards from the Oklahoma Breeding Development Fund
- 23 | Special Account. The official registering agency shall operate
- 24 under the supervision of the Commission and be subject to the rules

1	and regulations of the Commission. The official registering agency
2	shall receive no compensation except fees received for registration
3	of horses. In the event the Commission elects to perform as the
4	official registering agency rather than contracting for such
5	services, the Commission shall deposit all registration fees from
6	the registration of Oklahoma-bred horses into the Oklahoma Breeding
7	Development Fund Special Account.
8	SECTION 2. This act shall become effective November 1, 2024.
9	COMMITTEE REPORT BY: COMMITTEE ON GENERAL GOVERNMENT April 4, 2024 - DO PASS AS AMENDED
10	APILI 4, 2024 - DO FASS AS AMENDED
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