

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 60th Legislature (2025)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1047

By: Luttrell of the House

and

Coleman of the Senate

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10 COMMITTEE SUBSTITUTE

11 An Act relating to amusements and sports; amending 3A
12 O.S. 2021, Sections 262 and 280, which relate to
13 state-tribal gaming; providing exception; updating
14 references; offering Gaming Compact Supplement
15 related to sports betting; defining term; authorizing
16 fee related to tribal administration of the games;
17 prescribing content of Gaming Compact Supplement;
18 prescribing procedures for electing acceptance of
19 supplements; providing for certain construction of
20 supplements; allowing retention of funds by tribes in
21 certain amounts; limiting scope of Gaming Compact
22 Supplement; declaring certain conduct and
23 participation lawful; providing for codification; and
24 providing an effective date.

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

SECTION 1. AMENDATORY 3A O.S. 2021, Section 262, is
amended to read as follows:

1 Section 262. A. If at least four Indian tribes enter into the
2 model tribal-state compact set forth in Section 281 of this title,
3 and such compacts are approved by the Secretary of the Interior and
4 notice of such approval is published in the Federal Register, the
5 Oklahoma Horse Racing Commission ("Commission") shall license
6 organization licensees which are licensed pursuant to Section 205.2
7 of this title to conduct authorized gaming as that term is defined
8 by this act pursuant to this act utilizing gaming machines or
9 devices authorized by this act subject to the limitations of
10 subsection C of this section. No fair association or organization
11 licensed pursuant to Section 208.2 of this title or a city, town or
12 municipality incorporated or otherwise, or an instrumentality
13 thereof, may conduct authorized gaming as that term is defined by
14 this act.

15 Notwithstanding the provisions of Sections 941 through 988 of
16 Title 21 of the Oklahoma Statutes, the conducting of and
17 participation in gaming in accordance with the provisions of this
18 act or the model compact set forth in Section 281 of this title is
19 lawful and shall not be subject to any criminal penalties. Provided
20 further, a licensed manufacturer or distributor licensed pursuant to
21 this act may manufacture, exhibit or store as a lawful activity any
22 machines or devices which are capable of being used to conduct the
23 following types of gaming:

24 1. Gaming authorized by the State-Tribal Gaming Act; or

1 2. Other gaming which may be lawfully conducted by an Indian
2 tribe in this state.

3 B. Except for Christmas Day, authorized gaming may only be
4 conducted by an organization licensee on days when the licensee is
5 either conducting live racing or is accepting wagers on simulcast
6 races at the licensee's racing facilities. Authorized gaming may
7 only be conducted by organization licensees at enclosure locations
8 where live racing is conducted. Under no circumstances shall
9 authorized gaming be conducted by an organization licensee at any
10 facility outside the organization licensee's racing enclosure. No
11 person who would not be eligible to be a patron of a pari-mutuel
12 system of wagering pursuant to the provisions of subsection B of
13 Section 208.4 of this title shall be admitted into any area of a
14 facility when authorized games are played nor be permitted to
15 operate, or obtain a prize from, or in connection with, the
16 operation of any authorized game, directly or indirectly.

17 C. In order to encourage the growth, sustenance and development
18 of live horse racing in this state and of the state's agriculture
19 and horse industries, the Commission is hereby authorized to issue
20 licenses to conduct authorized gaming to no more than three
21 organization licensees operating racetrack locations at which horse
22 race meetings with pari-mutuel wagering, as authorized by the
23 Commission pursuant to the provisions of this title, occurred in
24 calendar year 2001, as follows:

1 1. An organization licensee operating a racetrack location at
2 which an organization licensee is licensed to conduct a race meeting
3 pursuant to the provisions of Section 205.2 of this title located in
4 a county with a population exceeding six hundred thousand (600,000)
5 persons, according to the most recent Federal Decennial Census,
6 shall be licensed to operate not more than six hundred fifty (650)
7 player terminals in any year. Beginning with the third year after
8 an organization licensee is licensed pursuant to this paragraph to
9 operate such player terminals, such licensee may be licensed to
10 operate an additional fifty (50) player terminals. Beginning with
11 the fifth year after an organization licensee is licensed pursuant
12 to this paragraph to operate such player terminals, such licensee
13 may be licensed to operate a further additional fifty (50) player
14 terminals; and

15 2. Two organization licensees operating racetrack locations at
16 which the organization licensees are licensed to conduct race
17 meetings pursuant to the provisions of Section 205.2 of this title
18 located in counties with populations not exceeding four hundred
19 thousand (400,000) persons, according to the most recent Federal
20 Decennial Census, may each be licensed to operate not more than two
21 hundred fifty (250) player terminals in any year.

22 Subject to the limitations on the number of player terminals
23 permitted to each organization licensee, an organization licensee
24 may utilize electronic amusement games as defined in this act,

1 electronic bonanza-style bingo games as defined in this act and
2 electronic instant bingo games as defined in this act, and any type
3 of gaming machine or device that is specifically allowed by law and
4 that an Indian tribe in this state is authorized to utilize pursuant
5 to a compact entered into between the state and the tribe in
6 accordance with the provisions of the Indian Gaming Regulatory Act
7 and any other machine or device that an Indian tribe in this state
8 is lawfully permitted to operate pursuant to the Indian Gaming
9 Regulatory Act, referred to collectively as "authorized games". An
10 organization licensee's utilization of such machines or devices
11 shall be subject to the regulatory control and supervision of the
12 Commission; provided, the Commission shall have no role in oversight
13 and regulation of gaming conducted by a tribe subject to a compact.
14 The Commission shall promulgate rules to regulate the operation and
15 use of authorized gaming by organization licensees. In promulgating
16 such rules, the Commission shall consider the provisions of any
17 compact which authorizes electronic gaming which is specifically
18 authorized by law by an Indian tribe. For the purpose of paragraphs
19 1 and 2 of this subsection, the number of player terminals in an
20 authorized game that permits multiple players shall be determined by
21 the maximum number of players that can participate in that game at
22 any given time; provided, however, that nothing in this act
23 prohibits the linking of player terminals for progressive jackpots,
24 so long as the limitations on the number of permitted player

1 terminals at each organization licensee are not exceeded. Each
2 organization licensee shall keep a record of, and shall report at
3 least quarterly to the Oklahoma Horse Racing Commission, the number
4 of games authorized by this section utilized in the organization
5 licensee's facility, by the name or type of each and its identifying
6 number.

7 D. No zoning or other local ordinance may be adopted or amended
8 by a political subdivision where an organization licensee conducts
9 live horse racing with the intent to restrict or prohibit an
10 organization licensee's right to conduct authorized gaming at such
11 location.

12 E. For purposes of this act, "adjusted gross revenues" means
13 the total receipts received by an organization licensee from the
14 play of all authorized gaming minus all monetary payouts.

15 F. The Oklahoma Horse Racing Commission shall promulgate rules
16 to regulate, implement and enforce the provisions of this act with
17 regard to the conduct of authorized gaming by organization
18 licensees; provided, regulation and oversight of games covered by a
19 compact and operated by an Indian tribe shall be conducted solely
20 pursuant to the requirements of the compact.

21 G. If an organization licensee operates or attempts to operate
22 more player terminals which offer authorized games than it is
23 authorized to offer to the public by this act or the terms of its
24 license, upon written notice from the Commission, such activity

1 shall cease forthwith. Such activity shall constitute a basis upon
2 which the Commission may suspend or revoke the licensee's license.
3 The Commission shall promulgate any rules and regulations necessary
4 to enforce the provisions of this subsection.

5 H. This act is game-specific and shall not be construed to
6 allow the operation of any other form of gaming unless specifically
7 allowed by this act. This act shall not permit the operation of
8 slot machines, house-banked card games, house-banked table games
9 involving dice or roulette wheels, or ~~games where winners are~~
10 ~~determined by~~ wagering on the outcome of a sports contest; provided,
11 however, that wagering on the outcome of sports contests may be
12 conducted in accordance with Section 3 of this act.

13 SECTION 2. AMENDATORY 3A O.S. 2021, Section 280, is
14 amended to read as follows:

15 Section 280. The State of Oklahoma through the concurrence of
16 the Governor after considering the executive prerogatives of that
17 office and the power to negotiate the terms of a compact between the
18 state and a tribe, and by means of the execution of the State-Tribal
19 Gaming Act, and with the concurrence of the State Legislature
20 through the enactment of the State-Tribal Gaming Act, hereby makes
21 the following offer of a ~~model tribal gaming compact~~ Model Tribal
22 Gaming Compact regarding gaming to all federally recognized Indian
23 tribes as identified in the Federal Register within this state that
24 own or are the beneficial owners of Indian lands as defined by the

1 Indian Gaming Regulatory Act, 25 U.S.C., Section 2703(4), and over
2 which the tribe has jurisdiction as recognized by the Secretary of
3 the Interior and is a part of the tribe's "Indian reservation" as
4 defined in 25 C.F.R., Part 151.2 or has been acquired pursuant to 25
5 C.F.R., Part 151, which, if accepted, shall constitute a gaming
6 compact between this state and the accepting tribe for purposes of
7 the Indian Gaming Regulatory Act. Acceptance of the offer contained
8 in this section shall be through the signature of the chief
9 executive officer of the tribal government whose authority to enter
10 into the ~~compact~~ Compact shall be set forth in an accompanying law
11 or ordinance or resolution by the governing body of the tribe, a
12 copy of which shall be provided by the tribe to the Governor. No
13 further action by the Governor or the state is required before the
14 ~~compact~~ Compact can take effect. A tribe accepting this Model
15 Tribal Gaming Compact is responsible for submitting a copy of the
16 Compact executed by the tribe to the Secretary of the Interior for
17 approval and publication in the Federal Register. The tribe shall
18 provide a copy of the executed Compact to the Governor. No tribe
19 shall be required to agree to terms different than the terms set
20 forth in the Model Tribal Gaming Compact, which is set forth in
21 Section 281 of this title. As a precondition to execution of the
22 Model Tribal Gaming Compact by any tribe, the tribe must have paid
23 or entered into a written agreement for payment of any fines
24 assessed prior to the effective date of the State-Tribal Gaming Act

1 by the federal government with respect to the tribe's gaming
2 activities pursuant to the Indian Gaming Regulatory Act.

3 Notwithstanding the provisions of Sections 941 through 988 of
4 Title 21 of the Oklahoma Statutes, the conducting of and the
5 participation in any game authorized by the ~~model compact~~ Model
6 Tribal Gaming Compact set forth in Section 281 of this title are
7 lawful when played pursuant to a compact which has become effective.

8 1. Prior to July 1, 2008, of all fees received by the state
9 pursuant to subsection A of Part 11 of the Model Tribal Gaming
10 Compact set forth in Section 281 of this title:

- 11 a. twelve percent (12%) shall be deposited in the
- 12 Oklahoma Higher Learning Access Trust Fund, and
- 13 b. eighty-eight percent (88%) of such fees shall be
- 14 deposited in the Education Reform Revolving Fund.

15 2. On or after July 1, 2008, of all fees received by the state
16 pursuant to subsection A of Part 11 of the Model Tribal Gaming
17 Compact set forth in Section 281 of this title and Gaming Compact
18 Supplements offered pursuant to Section ~~2~~ 280.1 of this title and
19 Section 3 of this act:

- 20 a. twelve percent (12%) shall be deposited in the General
- 21 Revenue Fund, and
- 22 b. eighty-eight percent (88%) of such fees shall be
- 23 deposited in the Education Reform Revolving Fund.

24

1 Provided, the first Twenty Thousand Eight Hundred Thirty-three
2 Dollars and thirty-three cents (\$20,833.33) of all fees received
3 each month by the state pursuant to subsection A of Part 11 of the
4 Model Tribal Gaming Compact set forth in Section 281 of this title
5 and Gaming Compact Supplements offered pursuant to Section ~~2~~ 280.1
6 of this title and Section 3 of this act shall be transferred to the
7 Department of Mental Health and Substance Abuse Services for the
8 treatment of compulsive gambling disorder and educational programs
9 related to such disorder.

10 SECTION 3. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 280.2 of Title 3A, unless there
12 is created a duplication in numbering, reads as follows:

13 A. Provided that federal laws permit and pursuant to the offer
14 of the Model Tribal Gaming Compact made in Section 280 of Title 3A
15 of the Oklahoma Statutes and the definition of "covered games" in
16 the Model Tribal Gaming Compact codified in Section 281 of Title 3A
17 of the Oklahoma Statutes, which said codified compact offer provides
18 the state may approve additional forms of covered games under said
19 compact by amendment of the State-Tribal Gaming Act and a compacting
20 tribe may operate such additional forms of covered games by written
21 supplement to an existing compact, the state hereby approves,
22 subject to this section, an additional game offering as follows:

23 "Sports betting" means any wagering on the outcome of sporting
24 events or other events, other than horse or other animal races.

1 B. Should a tribe that has compacted with the state in
2 accordance with Sections 280 and 281 of Title 3A of the Oklahoma
3 Statutes elect to accept this offer of an additional covered game
4 and, accordingly, to operate sports betting under the terms of its
5 existing gaming compact with the state, said tribe shall execute a
6 supplement to said compact, to provide as follows:

7 MODEL TRIBAL GAMING COMPACT SUPPLEMENT

8 Between the [Name of Tribe]

9 and the STATE OF OKLAHOMA

10 To be governed in accord with the [Name of Tribe]'s State-Tribal
11 Gaming Compact ("Compact"), approved by the United States Department
12 of the Interior on [Date], the [Name of Tribe] ("Tribe") accepts the
13 state's offer of additional covered game codified in Section 280.2
14 of Title 3A of the Oklahoma Statutes, which offer and this
15 acceptance are subject to the following terms:

16 Part 1. TITLE

17 This document shall be referred to as the "[Name of Tribe] and
18 State of Oklahoma Gaming Compact Sports Betting Supplement (Gaming
19 Compact Supplement)".

20 Part 2. TERMS

21 A. The Tribe hereby memorializes its election to accept the
22 state's offer of an additional covered game, which offer is codified
23 in Section 280.2 of Title 3A of the Oklahoma Statutes. The Tribe
24 further certifies and agrees it shall not offer such additional

1 covered game unless and until doing so would be legal under federal
2 law.

3 B. The Tribe agrees, subject to the enforcement and exclusivity
4 provisions of its Compact, to pay to the state a fee derived from
5 sports betting revenues calculated as set forth in this subsection.
6 Such fee shall be paid no later than the twentieth day of the month
7 for revenues received by the Tribe in the preceding month. The fee
8 shall be ten percent (10%) of monthly adjusted gross revenue from
9 sports betting.

10 Payments of such fees shall be made to the Treasurer of the State of
11 Oklahoma. Nothing herein shall require the allocation of such fees
12 to particular state purposes, including, but not limited to, the
13 actual costs of performing the State's regulatory responsibilities
14 hereunder. "Net win" shall mean all money wagered less prizes paid
15 out and less applicable federal taxes. For all purposes, such
16 payment shall be deemed an exclusivity and fee payment under
17 paragraph 2 of subsection A of Part 11 of the State-Tribal Gaming
18 Compact between the electing Tribe and the State.

19 C. The Tribe's operation of sports betting pursuant to this
20 Gaming Compact Supplement shall, for all purposes, including
21 enforcement and exclusivity, be treated as subject to and lawfully
22 conducted under the terms and provisions of the Compact.

23 Part 3. AUTHORITY TO EXECUTE
24

1 This Gaming Compact Supplement, to the extent it conforms with
2 Section 280.2 of Title 3A of the Oklahoma Statutes, is deemed
3 approved by the State of Oklahoma. No further action of the State
4 or any state official is necessary for this Gaming Compact
5 Supplement to take effect upon approval by the Secretary of the
6 United States Department of the Interior and publication in the
7 Federal Register. The undersigned tribal official(s) represents
8 that he or she is duly authorized and has the authority to execute
9 this Gaming Compact Supplement on behalf of the Tribe for whom he or
10 she is signing.

11 APPROVED:

12 [Name of Tribe]

13 _____ Date: _____

14 [Title]

15 C. A tribe electing to accept this additional game offering is
16 responsible for submitting a copy of the executed supplement to the
17 Secretary of the United States Department of the Interior for
18 approval and publication in the Federal Register.

19 D. Upon approval of a supplement by the Secretary of the United
20 States Department of the Interior, said supplement shall be
21 construed as an acceptance of this offer and a supplement to the
22 Tribe's existing State-Tribal Gaming Compact with the State.
23 Thereafter, sports betting shall be deemed a covered game pursuant
24 to said Compact.

1 E. The Tribe is entitled to keep an amount equal to state
2 payments from the operation of sports betting. For all purposes,
3 such payment shall be deemed an exclusivity and fee payment under
4 paragraph 2 of subsection A of Part 11 of the State-Tribal Gaming
5 Compact between the electing Tribe and the State.

6 F. The offer contained in this section shall not be construed
7 to permit the operation of any additional form of gaming by
8 organization licensees or permit any additional electronic or
9 machine gaming within Oklahoma.

10 G. Notwithstanding the provisions of Sections 941 through 988
11 of Title 21 of the Oklahoma Statutes, the conducting of and
12 participation in any game authorized pursuant to this section are
13 lawful when played pursuant to a compact supplement which has become
14 effective in accordance with this section.

15 SECTION 4. This act shall become effective November 1, 2025.

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17 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
18 03/06/2025 - DO PASS, As Amended and Coauthored.

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