1	ENGROSSED SENATE AMENDMENTS
2	TO ENGROSSED HOUSE BILL NO. 2965 By: Culver of the House
3	
4	and
5	Coleman of the Senate
6	
7	An Act relating to horse racing; amending 3A O.S.
8	2021, Sections 205.6, 205.6a, and 205.7a, which relate to the Oklahoma Horse Racing Act; providing
9	exception; permitting certain races to be televised at certain racetracks, out of state, or out of
10	country; and providing an effective date.
11	
12	AMENDMENT NO. 1. Page 1, line 15, through page 8, line 8, delete Section 1
13	
14	AMENDMENT NO. 2. Page 8, line 8 1/2, insert new Section 1 to read:
15	"SECTION 1. AMENDATORY 3A O.S. 2021, Section 205.2, is
16	amended to read as follows:
17	Section 205.2. A. Applications for organization licenses must
18	be filed with the Commission at a time and place prescribed by the
19	rules and regulations of the Commission. Beginning with
20	organization license applications for the 1994 calendar year, the
21	Commission shall develop and use separate application forms for
22	applicants requesting an organization license to conduct horse
23	racing with the pari-mutuel system of wagering and applicants
24	requesting an organization license to conduct horse racing without

the pari-mutuel system of wagering. For use for the 1993 calendar year organization licenses, an applicant requesting to conduct horse racing without the pari-mutuel system of wagering shall make application with the Commission on American Quarter Horse Association application forms. Applications for an organization license to conduct horse racing without the pari-mutuel system of wagering for the 1993 calendar year shall be filed with the Commission on or before the 1st day of August, 1992. Each applicant requesting an organization license to conduct horse racing with the pari-mutuel system of wagering shall include with each application a nonrefundable license fee equal to the sum of Five Thousand Dollars (\$5,000.00) for each race meeting and Two Hundred Dollars (\$200.00) for each racing day requested. Provided, the fee for Five Thousand Dollars (\$5,000.00) shall be waived for applicants applying pursuant to the provisions of Section 208.2 of this title. Each applicant requesting an organization license to conduct horse racing without the pari-mutuel system of wagering or to conduct accredited work or training races shall include with each application a nonrefundable license fee of Five Hundred Dollars (\$500.00) for each race meeting. Such fee shall be in the form of a certified check or bank draft payable to the order of the Commission. Within thirty (30) days after the date specified for filing, the Commission shall examine the applications for compliance with the provisions of the Oklahoma Horse Racing Act and such rules and regulations as may be

1

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

promulgated by the Commission. If any application does not comply with the provisions of the Oklahoma Horse Racing Act or the rules and regulations promulgated by the Commission, the application may be rejected or the Commission may direct the applicant to comply with the provisions of the Oklahoma Horse Racing Act or the rules and regulations of the Commission within a reasonable time as determined by the Commission. Upon proof by the applicant of compliance, the Commission may reconsider the application. If it is found to be in compliance with the provisions of the Oklahoma Horse Racing Act and the rules and regulations of the Commission, the Commission may then issue an organization license to the applicant.

- B. The Commission may exercise discretion in the issuing of organization licenses to qualified applicants. The Commission may also determine and grant racing dates different from those requested by the applicants in their applications.
- C. The Commission may determine and grant the number of racing days to be allotted to each applicant. When granting organization licenses and allocating dates for race meetings which will, in the judgment of the Commission, be conducive to the best interests of the public and the sport of horse racing, the Commission shall give consideration to:
- 1. The character, reputation, experience, and financial integrity of each applicant and of any other person that:
 - a. directly or indirectly controls such applicant, or

- b. is directly or indirectly controlled by such applicant or by a person who directly or indirectly controls such applicant; and
- 2. The facilities and accommodations of the applicant for the conduct of race meetings; and

2

3

4

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23

- 3. The location of the race meeting of the applicant in relation to the principal centers of population of this state; and
- 4. The highest prospective total revenue to be derived by the state from the conduct of the race meeting.
- Prior to the issuance of an organization license to conduct D. pari-mutuel race meetings, the applicant shall file with the Commission a bond payable to the State of Oklahoma in an amount determined by the Commission which is not less than Two Hundred Thousand Dollars (\$200,000.00) and not more than the total financial liability of the organization licensee throughout the race meeting for which the organization license is requested, executed by the applicant and a surety company or companies authorized to do business in this state, and conditioned upon the payment by the organization licensee of all taxes and other monies due and payable pursuant to the provisions of the Oklahoma Horse Racing Act and all purses due and payable, and upon the fact that, upon presentation of winning tickets, the organization licensee will distribute all sums due to the patrons of pari-mutuel pools. The financial liabilities incurred by the organization licensee in the form of real estate

- mortgages shall not be included in the determination of the bond amount.
 - E. The Commission shall notify each applicant of the racing dates allotted to such applicant. The notice shall be in writing and sent by registered mail to the applicant at the address stated in the application. The notice shall be mailed within two (2) business days of the date the allotment is made. After the mailing of such notice of allotment, each applicant shall file with the Commission within ten (10) days an acceptance of such allotment on a form prescribed and furnished by the Commission.
 - F. Each organization license shall specify the name of the person to whom it is issued, the dates upon which horse racing is permitted, and the location, place, track, or enclosure where the race meeting is to be held.
 - G. All employees of an organization licensee shall be citizens of the United States, and not less than ninety percent (90%) of such employees shall be residents of this state for not less than eighteen (18) months immediately preceding such employment.
 - H. All horse racing conducted pursuant to the provisions of an organization license is subject to the provisions of the Oklahoma

 Horse Racing Act and of the rules, regulations and directives

 promulgated by the Commission, and every organization license issued by the Commission shall contain a statement to that effect.

- 1 I. Any organization licensee may provide, with prior approval 2 by the Commission, that at least one horse race a day may be devoted to the racing of a type of horse which is different from the type of 3 4 horse being raced in the other races conducted by the organization 5 licensee on that day. When scheduled races are trial heats for futurities or stakes races electronically timed from the starting 6 7 gates, no organization licensee shall move the starting gates or allow the starting gates to be moved until all trial heats are 9 complete, unless they are using a device approved by the horsemen's 10 representative and the stewards that will ensure the gates are set 11 in the same position, except in an emergency as determined by the 12 stewards.
 - J. Organization licenses may be revoked if the organization licensee or any person owning an interest in the organization licensee:
 - 1. Violates any provision of the Oklahoma Horse Racing Act; or
 - 2. Violates any provision of the rules and regulations promulgated pursuant to the provisions of the Oklahoma Horse Racing Act; or
 - 3. Has been convicted of a felony; or
- 4. Has been convicted of violating any law regarding gambling or controlled dangerous substances of the United States, this state, or any other state; or

1.3

14

15

16

17

18

19

1 5. Has failed to disclose or has stated falsely any information 2 contained in the application; or 6. Has concealed in whole or in part the true ownership of the 3 4 organization licensee. 5 Any organization license revocation proceeding shall be 6 conducted pursuant to the provisions of Sections 302 through 323 of 7 Title 75 of the Oklahoma Statutes. 8 The fees received by the Commission pursuant to the 9 provisions of this section shall be apportioned to the Oklahoma 10 Horse Racing Commission Operational Expenses Revolving Fund. 11 The provisions of the Oklahoma Horse Racing Act and rules L. 12 promulgated by the Commission shall apply to an organization 1.3 licensee during the entire calendar year in which the license was 14 issued." 15 AMENDMENT NO. 3. Page 8, line 9, through page 11, line 24, delete 16 Section 2 17 and renumber subsequent sections 18 AMENDMENT NO. 4. Page 13, lines 4 through 7, delete all new language 19 and amend the title to conform 20 2.1 22 23 24

1	Passed the Senate the 23rd day of April, 2024.
	rassed the senate the 231d day of April, 2024.
2	
3	
4	Presiding Officer of the Senate
5	Passed the House of Representatives the day of,
6	2024.
7	
8	Presiding Officer of the House
9	of Representatives
LO	
L1	
L2	
L3	
L 4	
L5	
L 6	
L7	
L8	
L 9	
20	
21	
22	
23	
24	

1 ENGROSSED HOUSE BILL NO. 2965 By: Culver of the House 2 and 3 Coleman of the Senate 4 5 6 7 An Act relating to horse racing; amending 3A O.S. 8 2021, Sections 205.6, 205.6a, and 205.7a, which 9 relate to the Oklahoma Horse Racing Act; providing exception; permitting certain races to be televised 10 at certain racetracks, out of state, or out of country; and providing an effective date. 11 12 1.3 14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 15 SECTION 2. 3A O.S. 2021, Section 205.6, is AMENDATORY 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

only on horse races conducted at a racetrack where such pari-mutuel

- system of wagering is authorized pursuant to the provisions of the Oklahoma Horse Racing Act.
- B. Each organization licensee that holds a race meeting at which the pari-mutuel system of wagering is conducted shall retain an amount equal to eighteen percent (18%) of all money wagered, to be distributed as follows:
- 1. The first One Hundred Million Dollars (\$100,000,000.00) wagered per calendar year for each type of racing 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:
 - a. one-ninth (1/9) of the eighteen percent (18%) shall be remitted to the Oklahoma Tax Commission on the first business day following the close of the racing day on which it was assessed. One hundred percent (100%) of the revenue derived pursuant to the provisions of this paragraph shall be apportioned monthly to the Oklahoma Horse Racing Commission Operational Expenses Revolving Fund, and
 - b. five-ninths (5/9) of the eighteen percent (18%) shall be retained by the organization licensee, and

2.1

- c. one-third (1/3) of the eighteen percent (18%) shall be retained by the organization licensee to be distributed as purses for participating horses.
- 2. All money wagered per calendar year for each type of racing in excess of One Hundred Million Dollars (\$100,000,000.00) but not to exceed 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:
 - a. one-ninth (1/9) of the eighteen percent (18%) shall be remitted to the Oklahoma Tax Commission on the first business day following the close of the racing day on which it was assessed. One hundred percent (100%) of the revenue derived pursuant to the provisions of this paragraph shall be apportioned monthly to the Oklahoma Horse Racing Commission Operational Expenses Revolving Fund, and
 - b. four-ninths (4/9) of the eighteen percent (18%) shall be retained by the organization licensee, and

1.3

2.1

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

1.3

2.1

1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	

19

20

21

22

23

24

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

- b. one-third (1/3) of the eighteen percent (18%) shall be retained by the organization licensee, and
- c. 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. two-ninths (2/9) 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.
- C. Notwithstanding any other provisions of this act, the state shall collect six percent (6%) of the total amount wagered under the provisions of this act at such time the organization licensee has no further debt service.
- D. In addition to the amount required to be retained by the provisions of subsection B of this section, each organization

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

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

- 1. Two-thirds (2/3) of three percent (3%) shall be distributed:
 - a. seventy-five percent (75%) as purses for participating horses, and
 - b. 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; and
- 2. One-third (1/3) of the three percent (3%) shall be distributed:
 - a. fifty percent (50%) as purses for participating horses, and $\frac{1}{2}$
 - b. 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:

6

7

8

9

10

11

12

1.3

14

15

16

17

18

19

20

21

22

23

- 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 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 access at all reasonable times to such records for the purpose of examining and checking the records and ascertaining whether the proper amount of taxes is being paid. The Oklahoma Tax Commission shall require verified reports and a statement of the total of all monies wagered daily at a race meeting and may prescribe forms upon which such reports and statement shall be made. The organization licensee shall provide the Oklahoma Tax Commission with such space and accommodations as may be necessary for the Oklahoma Tax Commission to implement its duties pursuant to the provisions of the Oklahoma Horse Racing Act.
- G. No revenue bonds issued by a public trust, as authorized by the provisions of Title 62 of the Oklahoma Statutes, shall be used to finance any racetrack or racing facility.

- H. All monies retained or to be distributed for purses shall be held in trust by the Horsemen's Bookkeeper pursuant to Section

 208.13 of this title for the duly designated horsemen's organization for purses.
 - I. Notwithstanding any other provisions of this act, this section shall not apply to any agreements subject to the Interstate Horse Racing Act of 1978, 15 U.S.C., Section 3004(a) et seq., pertaining to the export signal of live races across state lines.

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

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

- 1. Pari-mutuel wagering shall be permitted only in a county which approves or has approved the conducting of pari-mutuel horse racing in that county pursuant to the provisions of Section 209 of this title;
- 2. Pari-mutuel wagering conducted by an organization licensee shall not be permitted within thirty (30) miles of another

- organization licensee's racing enclosure without the express permission granted by the other organization licensee;
- 3. All pari-mutuel wagering facilities located outside any organization licensee's racing enclosure shall be operated in accordance with all applicable rules of the Oklahoma Horse Racing Commission Rules of Racing (Pari-Mutuel Edition);
- 4. The organization licensee sending its racing signal to a facility or facilities outside its racing enclosure may combine the pari-mutuel pools of all facilities with those of the organization licensee for the purpose of determining odds and computing payoffs. The amount of money to be retained and distributed by the organization licensee and to be remitted to the Oklahoma Tax Commission from money wagered pursuant to the provisions of this section shall be the same as set forth in paragraph 1 of subsection B, in subsection D, and in subsection E of Section 205.6 of this title and in Section 208.2 of this title;
- 5. One percent (1%) of the total monies wagered at a facility other than an organization licensee's racing enclosure shall be distributed from the amount retained pursuant to paragraph 4 of this subsection as follows:
 - a. ten percent (10%) to the State Auditor and Inspector for the purpose of auditing such facilities, and
 - b. forty-five percent (45%) to the county in which the facility is located, and

2.1

- 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

1.3

- this subsection and distributions pursuant to paragraphs 5 and 6 of this subsection, shall retain the balance of the monies wagered.
- B. Notification by an organization licensee to conduct parimutuel wagering at a facility or facilities outside of the organization licensee's racing enclosure shall be made annually to the Oklahoma Horse Racing Commission. An organization licensee may make an original notification to conduct pari-mutuel wagering at a facility or facilities outside of the organization licensee's racing enclosure at any time.
- C. All persons employed in the actual conduct of pari-mutuel wagering at a facility outside an organization licensee's racing enclosure shall be licensed by the Commission, consistent with Section 204.2 of this title.
- D. Breakage and unclaimed ticket proceeds shall be distributed in the manner applicable to the races of the racing program of the organization licensee sending the racing program.
- E. All monies retained or to be distributed for purses shall be held in trust by the Horsemen's Bookkeeper pursuant to Section 5

 208.13 of this act title for the duly designated horsemen's organization for purses.
- F. Notwithstanding any other provisions of this act, this section shall not apply to any agreements subject to the Interstate

 Horse Racing Act of 1978, 15 U.S.C., Section 3004(a) et seq.,

 pertaining to the export signal of live races across state lines.

1.3

SECTION 4. AMENDATORY 3A O.S. 2021, Section 205.7a, is amended to read as follows:

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

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

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

- The proceeds of the agreement shall be distributed in the same

 manner as money wagered pursuant to the provisions of paragraph 1 of

 subsection B, in subsection D, and in subsection E of Section 205.6

 of this title and Section 208.2 of this title, except for those

 agreements subject to the Interstate Horse Racing Act of 1978, 15

 U.S.C., Section 3004(a) et seq., pertaining to the export signal of

 live races across state lines.
 - B. C. For the days on which a licensed track within this state does not conduct live racing but conducts pari-mutuel wagering on races televised from another licensed track within this state or on out-of-state races, the conducting of pari-mutuel wagering shall not be considered racing days for the purposes of this title.
 - C. D. When any licensed track within this state conducts parimutuel wagering on races televised from another licensed track within this state, the receiving licensee shall not retransmit the sending licensee's signal without the express permission of the sending licensee.
 - D. E. Breakage and unclaimed ticket proceeds shall be distributed in the manner applicable to the races of the racing program of the organization licensees who are sending and receiving the racing program.
- SECTION 5. This act shall become effective November 1, 2024.

1.3

1	Passed the House of Representatives the 11th day of March, 2024.
2	
3	
4	Presiding Officer of the House of Representatives
5	
6	Passed the Senate the day of, 2024.
7	
8	Drogiding Officer of the Consta
9	Presiding Officer of the Senate
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	