

An Act

ENROLLED HOUSE
BILL NO. 2965

By: Culver of the House

and

Coleman of the Senate

An Act relating to horse racing; amending 3A O.S. 2021, Sections 205.2 and 205.7a, which relate to the Oklahoma Horse Racing Act; modifying provisions related to movement of starting gates; permitting certain races to be televised at certain racetracks, out of state, or out of country; and providing an effective date.

SUBJECT: Horse racing

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

SECTION 1. AMENDATORY 3A O.S. 2021, Section 205.2, is amended to read as follows:

Section 205.2 A. Applications for organization licenses must be filed with the Commission at a time and place prescribed by the rules and regulations of the Commission. Beginning with organization license applications for the 1994 calendar year, the Commission shall develop and use separate application forms for applicants requesting an organization license to conduct horse racing with the pari-mutuel system of wagering and applicants 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 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

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.

D. Prior to the issuance of an organization license to conduct 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.

I. Any organization licensee may provide, with prior approval 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 horse being raced in the other races conducted by the organization licensee on that day. When scheduled races are trial heats for futurities or stakes races electronically timed from the starting gates, no organization licensee shall move the starting gates or allow the starting gates to be moved until all trial heats are complete, unless they are using a device approved by the horsemen's representative and the stewards that will ensure the gates are set in the same position, except in an emergency as determined by the 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
5. Has failed to disclose or has stated falsely any information contained in the application; or

6. Has concealed in whole or in part the true ownership of the organization licensee.

Any organization license revocation proceeding shall be conducted pursuant to the provisions of Sections 302 through 323 of Title 75 of the Oklahoma Statutes.

K. The fees received by the Commission pursuant to the provisions of this section shall be apportioned to the Oklahoma Horse Racing Commission Operational Expenses Revolving Fund.

L. The provisions of the Oklahoma Horse Racing Act and rules promulgated by the Commission shall apply to an organization licensee during the entire calendar year in which the license was issued.

SECTION 2. 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. Pari-mutuel 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. 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.

~~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 pari-mutuel 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 3. This act shall become effective November 1, 2024.

Passed the House of Representatives the 7th day of May, 2024.

Presiding Officer of the House
of Representatives

Passed the Senate the 23rd day of April, 2024.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____