

## Appendix "D"

### Breeding Regulations.

#### Note:

State Racing Commissions for the most part are not empowered by statute to regulate the breeding industry. In those instances where they perform an administration function associated with the distribution of breeders awards for state-bred horses that win races the function is purely ministerial.

Although this question was not applicable to many US state regulators, the responses from Louisiana, Oklahoma and Florida are attached. Each has answered the question in the negative.

# STATE OF FLORIDA

## 550.26165 Breeders' awards.--

(1) The purpose of this section is to encourage the agricultural activity of breeding and training racehorses in this state. Moneys dedicated in this chapter for use as breeders' awards and stallion awards are to be used for awards to breeders of registered Florida-bred horses winning horseraces and for similar awards to the owners of stallions who sired Florida-bred horses winning stakes races, if the stallions are registered as Florida stallions standing in this state. Such awards shall be given at a uniform rate to all winners of the awards, shall not be greater than 20 percent of the announced gross purse, and shall not be less than 15 percent of the announced gross purse if funds are available. In addition, no less than 17 percent nor more than 40 percent, as determined by the Florida Thoroughbred Breeders' Association, of the moneys dedicated in this chapter for use as breeders' awards and stallion awards for thoroughbreds shall be returned pro rata to the permitholders that generated the moneys for special racing awards to be distributed by the permitholders to owners of thoroughbred horses participating in prescribed thoroughbred stakes races, nonstakes races, or both, all in accordance with a written agreement establishing the rate, procedure, and eligibility requirements for such awards entered into by the permitholder, the Florida Thoroughbred Breeders' Association, and the Florida Horsemen's Benevolent and Protective Association, Inc., except that the plan for the distribution by any permitholder located in the area described in s. 550.615(9) shall be agreed upon by that permitholder, the Florida Thoroughbred Breeders' Association, and the association representing a majority of the thoroughbred racehorse owners and trainers at that location. Awards for thoroughbred races are to be paid through the Florida Thoroughbred Breeders' Association, and awards for standardbred races are to be paid through the Florida Standardbred Breeders and Owners Association. Among other sources specified in this chapter, moneys for thoroughbred breeders' awards will come from the 0.955 percent of handle for thoroughbred races conducted, received, broadcast, or simulcast under this chapter as provided in s. 550.2625(3). The moneys for quarter horse and harness breeders' awards will come from the breaks and uncashed tickets on live quarter horse and harness racing performances and 1 percent of handle on intertrack wagering. The funds for these breeders' awards shall be paid to the respective breeders' associations by the permitholders conducting the races.

(2) Each breeders' association shall develop a plan each year that will provide for a uniform rate of payment and procedure for breeders' and stallion awards. The plan for payment of breeders' and stallion awards may set a cap on winnings and may limit, exclude, or defer payments on certain classes of races, such as the Florida stallion stakes races, in order to assure that there are adequate revenues to meet the proposed uniform rate. Priority shall be placed on imposing such restrictions in lieu of allowing the uniform rate for breeders' and stallion awards to be less than 15 percent of the total purse payment. The plan must provide for the maximum possible payments within revenues.

(3) Breeders' associations shall submit their plans to the division at least 60 days before the beginning of the payment year. The payment year may be a calendar year or any 12-month period, but once established, the yearly base may not be changed except for compelling reasons. Once a plan is approved, the division may not allow the plan to be amended during the year, except for the most compelling reasons.

(4) It is not intended that the funds in the breeders' association special payment account be allowed to grow excessively, although there is no intent to require that payment each year

(c) A permitholder conducting a quarter horse race meet under this chapter shall pay from the takeout withheld a sum not less than 6 percent of all contributions to pari-mutuel pools conducted during the race meet as purses.

(d) The division shall adopt reasonable rules to ensure the timely and accurate payment of all amounts withheld by horserace permitholders regarding the distribution of purses, owners' awards, and other amounts collected for payment to owners and breeders. Each permitholder that fails to pay out all moneys collected for payment to owners and breeders shall, within 10 days after the end of the meet during which the permitholder underpaid purses, deposit an amount equal to the underpayment into a separate interest-bearing account to be distributed to owners and breeders in accordance with division rules.

(e) An amount equal to 8.5 percent of the purse account generated through intertrack wagering and interstate simulcasting will be used for Florida Owners' Awards as set forth in subsection (3). Any thoroughbred permitholder with an average blended takeout which does not exceed 20 percent and with an average daily purse distribution excluding sponsorship, entry fees, and nominations exceeding \$225,000 is exempt from the provisions of this paragraph.

(3) Each horseracing permitholder conducting any thoroughbred race under this chapter, including any intertrack race taken pursuant to ss. 550.615-550.6305 or any interstate simulcast taken pursuant to s. 550.3551(3) shall pay a sum equal to 0.955 percent on all pari-mutuel pools conducted during any such race for the payment of breeders', stallion, or special racing awards as authorized in this chapter. This subsection also applies to all Breeder's Cup races conducted outside this state taken pursuant to s. 550.3551(3). On any race originating live in this state which is broadcast out-of-state to any location at which wagers are accepted pursuant to s. 550.3551(2), the host track is required to pay 3.475 percent of the gross revenue derived from such out-of-state broadcasts as breeders', stallion, or special racing awards. The Florida Thoroughbred Breeders' Association is authorized to receive these payments from the permitholders and make payments of awards earned. The Florida Thoroughbred Breeders' Association has the right to withhold up to 10 percent of the permitholder's payments under this section as a fee for administering the payments of awards and for general promotion of the industry. The permitholder shall remit these payments to the Florida Thoroughbred Breeders' Association by the 5th day of each calendar month for such sums accruing during the preceding calendar month and shall report such payments to the division as prescribed by the division. With the exception of the 10-percent fee, the moneys paid by the permitholders shall be maintained in a separate, interest-bearing account, and such payments together with any interest earned shall be used exclusively for the payment of breeders', stallion, or special racing awards in accordance with the following provisions:

(a) The breeder of each Florida-bred thoroughbred horse winning a thoroughbred horse race is entitled to an award of up to, but not exceeding, 20 percent of the announced gross purse, including nomination fees, eligibility fees, starting fees, supplementary fees, and moneys added by the sponsor of the race.

(b) The owner or owners of the sire of a Florida-bred thoroughbred horse that wins a stakes race is entitled to a stallion award of up to, but not exceeding, 20 percent of the announced gross purse, including nomination fees, eligibility fees, starting fees, supplementary fees, and moneys added by the sponsor of the race.

(c) The owners of thoroughbred horses participating in thoroughbred stakes races, nonstakes races, or both may receive a special racing award in accordance with the agreement established pursuant to s. 550.26165(1).

(i) The Florida Thoroughbred Breeders' Association shall keep accurate records showing receipts and disbursements of such payments and shall annually file a full and complete report to the division showing such receipts and disbursements and the sums withheld for administration. The division may audit the records and accounts of the Florida Thoroughbred Breeders' Association to determine that payments have been made to eligible breeders and stallion owners in accordance with this section.

(j) If the division finds that the Florida Thoroughbred Breeders' Association has not complied with any provision of this section, the division may order the association to cease and desist from receiving funds and administering funds received under this section. If the division enters such an order, the permitholder shall make the payments authorized in this section to the division for deposit into the Pari-mutuel Wagering Trust Fund; and any funds in the Florida Thoroughbred Breeders' Association account shall be immediately paid to the Division of Pari-mutuel Wagering for deposit to the Pari-mutuel Wagering Trust Fund. The division shall authorize payment from these funds to any breeder or stallion owner entitled to an award that has not been previously paid by the Florida Thoroughbred Breeders' Association in accordance with the applicable rate.

(4) Each permitholder conducting a harness horse race under this chapter shall pay a sum equal to the breaks on all pari-mutuel pools conducted during that race for the payment of breeders' awards, stallion awards, and stallion stakes and for additional expenditures as authorized in this section. The Florida Standardbred Breeders and Owners Association is authorized to receive these payments from the permitholders and make payments as authorized in this subsection. The Florida Standardbred Breeders and Owners Association has the right to withhold up to 10 percent of the permitholder's payments under this section and under s. 550.2633 as a fee for administering these payments. The permitholder shall remit these payments to the Florida Standardbred Breeders and Owners Association by the 5th day of each calendar month for such sums accruing during the preceding calendar month and shall report such payments to the division as prescribed by the division. With the exception of the 10-percent fee for administering the payments and the use of the moneys authorized by paragraph (j), the moneys paid by the permitholders shall be maintained in a separate, interest-bearing account; and such payments together with any interest earned shall be allocated for the payment of breeders' awards, stallion awards, stallion stakes, additional purses, and prizes for, and the general promotion of owning and breeding of, Florida-bred standardbred horses. Payment of breeders' awards and stallion awards shall be made in accordance with the following provisions:

(a) The breeder of each Florida-bred standardbred horse winning a harness horse race is entitled to an award of up to, but not exceeding, 20 percent of the announced gross purse, including nomination fees, eligibility fees, starting fees, supplementary fees, and moneys added by the sponsor of the race.

(b) The owner or owners of the sire of a Florida-bred standardbred horse that wins a stakes race is entitled to a stallion award of up to, but not exceeding, 20 percent of the announced gross purse, including nomination fees, eligibility fees, starting fees, supplementary fees, and moneys added by the sponsor of the race.

(c) In order for a breeder of a Florida-bred standardbred horse to be eligible to receive a breeder's award, the horse winning the race must have been registered as a Florida-bred horse with the Florida Standardbred Breeders and Owners Association and a registration certificate under seal for the winning horse must show that the winner has been duly registered as a Florida-bred horse as evidenced by the seal and proper serial number of the United States Trotting Association registry. The Florida Standardbred Breeders and Owners Association shall be permitted to charge the registrant a reasonable fee for this verification and registration.

(i) If the division finds that the Florida Standardbred Breeders and Owners Association has not complied with any provision of this section, the division may order the association to cease and desist from receiving funds and administering funds received under this section and under s. 550.2633. If the division enters such an order, the permitholder shall make the payments authorized in this section and s. 550.2633 to the division for deposit into the Pari-mutuel Wagering Trust Fund; and any funds in the Florida Standardbred Breeders and Owners Association account shall be immediately paid to the division for deposit to the Pari-mutuel Wagering Trust Fund. The division shall authorize payment from these funds to any breeder, stallion owner, or owner of a Florida-bred standardbred horse entitled to an award that has not been previously paid by the Florida Standardbred Breeders and Owners Association in accordance with the applicable rate.

(j) The board of directors of the Florida Standardbred Breeders and Owners Association may authorize the release of up to 25 percent of the funds available for breeders' awards, stallion awards, stallion stakes, additional purses, and prizes for, and for the general promotion of owning and breeding of, Florida-bred standardbred horses to be used for purses for, and promotion of, Florida-bred standardbred horses at race meetings at which there is no pari-mutuel wagering unless, and to the extent that, such release would render the funds available for such awards insufficient to pay the breeders' and stallion awards earned pursuant to the annual plan of the association. Any such funds so released and used for purses are not considered to be an "announced gross purse" as that term is used in paragraphs (a) and (b), and no breeders' or stallion awards, stallion stakes, or owner awards are required to be paid for standardbred horses winning races in meetings at which there is no pari-mutuel wagering. The amount of purses to be paid from funds so released and the meets eligible to receive such funds for purses must be approved by the board of directors of the Florida Standardbred Breeders and Owners Association.

(5)(a) Except as provided in subsections (7) and (8), each permitholder conducting a quarter horse race meet under this chapter shall pay a sum equal to the breaks plus a sum equal to 1 percent of all pari-mutuel pools conducted during that race for supplementing and augmenting purses and prizes and for the general promotion of owning and breeding of racing quarter horses in this state as authorized in this section. The Florida Quarter Horse Breeders and Owners Association is authorized to receive these payments from the permitholders and make payments as authorized in this subsection. The Florida Quarter Horse Breeders and Owners Association, Inc., referred to in this chapter as the Florida Quarter Horse Breeders and Owners Association, has the right to withhold up to 10 percent of the permitholder's payments under this section and under s. 550.2633 as a fee for administering these payments. The permitholder shall remit these payments to the Florida Quarter Horse Breeders and Owners Association by the 5th day of each calendar month for such sums accruing during the preceding calendar month and shall report such payments to the division as prescribed by the division. With the exception of the 5-percent fee for administering the payments, the moneys paid by the permitholders shall be maintained in a separate, interest-bearing account.

(b) The Florida Quarter Horse Breeders and Owners Association shall use these funds solely for supplementing and augmenting purses and prizes and for the general promotion of owning and breeding of racing quarter horses in this state and for general administration of the Florida Quarter Horse Breeders and Owners Association, Inc., in this state.

(c) In order for an owner or breeder of a Florida-bred quarter horse to be eligible to receive an award, the horse winning a race must have been registered as a Florida-bred horse with the Florida Quarter Horse Breeders and Owners Association and a registration certificate under seal for the winning horse must show that the winning horse has been duly registered prior to the race as a Florida-bred horse as evidenced by the seal and proper serial number of the Florida Quarter Horse Breeders and Owners Association registry. The Department of Agriculture and

(c) If the moneys generated under paragraph (a) during the meet exceed the owners' awards earned during the meet, the excess funds shall be held in a separate interest-bearing account, and the total interest and principal shall be used to increase the owners' awards during the permitholder's next meet.

(d) Breeders' awards authorized by subsections (3) and (4) may not be paid on owners' awards.

(7)(a) Each permitholder that conducts race meets under this chapter and runs Appaloosa races shall pay to the division a sum equal to the breaks plus a sum equal to 1 percent of the total contributions to each pari-mutuel pool conducted on each Appaloosa race. The payments shall be remitted to the division by the 5th day of each calendar month for sums accruing during the preceding calendar month.

(b) The division shall deposit these collections to the credit of the General Inspection Trust Fund in a special account to be known as the "Florida Appaloosa Racing Promotion Account." The Department of Agriculture and Consumer Services shall administer the funds and adopt suitable and reasonable rules for the administration thereof. The moneys in the Florida Appaloosa Racing Promotion Account shall be allocated solely for supplementing and augmenting purses and prizes and for the general promotion of owning and breeding of racing Appaloosas in this state; and the moneys may not be used to defray any expense of the Department of Agriculture and Consumer Services in the administration of this chapter.

(8)(a) Each permitholder that conducts race meets under this chapter and runs Arabian horse races shall pay to the division a sum equal to the breaks plus a sum equal to 1 percent of the total contributions to each pari-mutuel pool conducted on each Arabian horse race. The payments shall be remitted to the division by the 5th day of each calendar month for sums accruing during the preceding calendar month.

(b) The division shall deposit these collections to the credit of the General Inspection Trust Fund in a special account to be known as the "Florida Arabian Horse Racing Promotion Account." The Department of Agriculture and Consumer Services shall administer the funds and adopt suitable and reasonable rules for the administration thereof. The moneys in the Florida Arabian Horse Racing Promotion Account shall be allocated solely for supplementing and augmenting purses and prizes and for the general promotion of owning and breeding of racing Arabian horses in this state; and the moneys may not be used to defray any expense of the Department of Agriculture and Consumer Services in the administration of this chapter, except that the moneys generated by Arabian horse registration fees received pursuant to s. 570.382 may be used as provided in paragraph (5)(b) of that section.

**History.**--s. 32, ch. 92-348; s. 4, ch. 93-123; s. 10, ch. 95-390; ss. 10, 26, ch. 96-364; ss. 5, 6, ch. 98-190; ss. 1, 6, ch. 98-217; s. 55, ch. 2000-154; s. 26, ch. 2000-354; s. 20, ch. 2001-279; s. 83, ch. 2002-1; s. 2, ch. 2003-295; s. 5, ch. 2006-79.

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 Oklahoma-bred breeding program until July 1 of the breeding year. No person shall knowingly prepare or cause preparation of an application for registration of such foals which contains false information;

\*3257 4. Establish a schedule of fees for the registration of Oklahoma-domiciled mares and stallions and Oklahoma-bred horses sufficient to provide for all expenses incurred in the administration of the Oklahoma Breeding Development Fund Special Account; and

5. Allow a mare registered as Oklahoma-bred racing stock which has not been registered as an Oklahoma broodmare prior to foaling to be registered as an Oklahoma broodmare upon payment of the registration fee and a late fee not to exceed Two Hundred Dollars (\$200.00), which action shall entitle the foals of the mare to be registered as Oklahoma-bred horses provided all other qualifications of the Commission are met.

D. The Commission may contract with and designate an official registering agency to implement the registration of horses and the payment of awards from the Oklahoma Breeding Development Fund Special Account. The official registering agency shall operate under the supervision of the Commission and be subject to the rules and regulations of the Commission. The official registering agency shall receive no compensation except fees received for registration of horses. In the event the Commission elects to perform as the official registering agency rather than contracting for such services, the Commission shall deposit all registration fees from the registration of Oklahoma-bred horses into the Oklahoma Breeding Development Fund Special Account.

E. The State Auditor and Inspector shall audit the Oklahoma Breeding Development Fund Special Account on an annual basis. The expense of the audit shall be paid from said Special Account.

### CREDIT(S)

*Laws 1983, c. 11, § 29, emerg. eff. March 22, 1983; Laws 1985, c. 52, § 2, operative July 1, 1985; Laws 1985, c. 196, § 9, operative July 1, 1985; Laws 1989, c. 369, § 101, operative July 1, 1989; Laws 1992, c. 26, § 2, eff. July 1, 1992; Laws 1993, c. 270, § 29, eff. Sept. 1, 1993; Laws 1993, c. 360, § 1, eff. Sept. 1, 1993; Laws 1998, c. 409, § 1, eff. July 1, 1999; Laws 2003, c. 299, § 4, eff. July 1, 2003; Laws 2006, c. 274, § 3, emerg. eff. June 7, 2006. \*3258*

### HISTORICAL NOTES

#### HISTORICAL AND STATUTORY NOTES

##### 2003 Main Volume

Section 1 of Laws 1993, S.B. No. 341 (c. 254), amending this section, was repealed by Laws 1993, c. 360, § 17.

Laws 1993, c. 270, § 29 added paragraph 6 in subsection B; and in subsection C, in paragraph 3, in the third sentence, added the proviso, and added paragraph 5.

Laws 1993, c. 360, § 1, in subsection A, added the sixth to eighth sentences; in subsection B, in paragraph 3 deleted the second sentence, which read: "Such award shall not be paid to the owner of an Oklahoma stallion that served outside this state at any time during the calendar year in which the winning Oklahoma-bred horse was conceived;"; inserted paragraph 6, and redesignated former paragraph 6 as paragraph 7; and in subsection C.2, deleted the second sentence, which read: "Such stallion must not stand for service at any place outside Oklahoma during the calendar year in which the foal is conceived;".

The 1998 amendment, deleted "and regulation" following "rule"; and in subsection D, added the fourth sentence.

### REFERENCES

#### CROSS REFERENCES

Oklahoma Breeding Development Administration Revolving Fund, transfer of funds into and audit pursuant to this section, see Title 3A, § 208.3a.

#### LIBRARY REFERENCES

##### 2003 Main Volume

States ↻ 127.  
Theaters and Shows ↻ 3.10.  
Westlaw Topic Nos. 360, 376.

\*3259 3A Okl.St. Ann. § 208.3a

**OKLAHOMA STATUTES  
ANNOTATED  
TITLE 3A. AMUSEMENTS AND  
SPORTS  
CHAPTER 2. HORSE RACING**

*Current with emergency effective chapters  
through Chapter 36 of the First Regular  
Session of the 51st Legislature (2007).*

**§ 208.3a. Oklahoma Breeding Development  
Administration Revolving Fund**

A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Horse Racing Commission, to be designated the "Oklahoma Breeding Development Administration Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Commission from transfers made pursuant to paragraph 6 of subsection B of Section 208.3 of this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commission for the purpose of administering the Oklahoma Breeding Development Program, or additions to purses of Oklahoma-bred races, and for no other purpose. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

B. Monies received by and expenditures from said fund shall be subject to an annual audit pursuant to paragraph 6 of subsection B and subsection E of

Section 208.3 of this title.

At the close of each fiscal year any unencumbered, unobligated, and unexpended monies in the Oklahoma Breeding Development Administration Revolving Fund shall be transferred to the Oklahoma Breeding Development Fund Special Account.

**CREDIT(S)**

*Laws 1993, c. 270, § 30, eff. Sept. 1, 1993; Laws 1998, c. 409, § 2, effective July 1, 1999.*

**HISTORICAL NOTES**

**HISTORICAL AND STATUTORY  
NOTES**

**2003 Main Volume**

The 1998 amendment, in subsection A, in the third sentence, added ", or additions to purses of Oklahoma-bred races, and for no other purpose"; in subsection B, in the second paragraph, deleted "the fiscal year ending June 30, 1994, and at the close of" following "close of"; and made other nonsubstantive changes.

\*3260

**REFERENCES**

**LIBRARY REFERENCES**

**2003 Main Volume**

States  127.

Westlaw Topic No. 360.

C.J.S. States § 228.

Current with emergency effective chapters through Chapter 36 of the First Regular Session of the 51st Legislature (2007).

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

Subject to the limitations on the number of player terminals permitted to each organization licensee, an organization licensee may utilize electronic amusement games as defined in this act, electronic bonanza-style bingo games as defined in this act and electronic instant bingo games as defined in this act, and any type of gaming machine or device that is specifically allowed by law and that an Indian tribe in this state is authorized to utilize pursuant to a compact entered into between the state and the tribe in accordance with the provisions of the Indian Gaming Regulatory Act [FN3] and any other machine or device that an Indian tribe in this state is lawfully permitted to operate pursuant to the Indian Gaming Regulatory Act, referred to collectively as "authorized games". An organization licensee's utilization of such machines or devices shall be subject to the regulatory control and supervision of the Commission; provided, the Commission shall have no role in oversight and regulation of gaming conducted by a tribe subject to a compact. The Commission shall promulgate rules to regulate the operation and use of authorized gaming by organization licensees. In promulgating such rules, the Commission shall consider the provisions of any compact which authorizes electronic gaming which is specifically authorized by law by an Indian tribe. For the purpose of paragraphs 1 and 2 of this subsection, the number of player terminals in an authorized game that permits multiple players shall be determined by the maximum number of players that can participate in that game at any given time; provided, however, that nothing in this act prohibits the linking of player terminals for progressive jackpots, so long as the limitations on the number of permitted player terminals at each organization licensee are not exceeded. Each organization licensee shall keep a record of, and shall report at least quarterly to the Oklahoma Horse Racing Commission, the number of games authorized by this section utilized in the organization licensee's facility, by the name or type of each and its identifying number.

\*3325 D. No zoning or other local ordinance may be adopted or amended by a political subdivision where an organization licensee conducts live horse racing with the intent to restrict or prohibit an organization licensee's right to conduct authorized gaming at such location.

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

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

G. If an organization licensee operates or attempts to operate more player terminals which offer authorized games than it is authorized to offer to the public by this act or the terms of its license, upon written notice from the Commission, such activity shall cease forthwith. Such activity shall constitute a basis upon which the Commission may suspend or revoke the licensee's license. The Commission shall promulgate any rules and regulations necessary to enforce the provisions of this subsection.

H. This act is game-specific and shall not be construed to allow the operation of any other form of gaming unless specifically allowed by this act. This act shall not permit the operation of slot machines, dice games, roulette wheels, house-banked card games or games where winners are determined by the outcome of a sports contest.

#### CREDIT(S)

*Laws 2004, c. 316, § 3; Laws 2005, c. 222, § 1, emerg. eff. May 25, 2005.*

[FN1] O.S.L.2004, c. 316 [Title 3A, § 261 et seq.]

[FN2] O.S.L.2005, c. 222 [Title 3A, § 262]

[FN3] 25 U.S.C.A. § 2701 et seq.

#### HISTORICAL NOTES

**\*3329 3A Okl.St. Ann. § 263**

**OKLAHOMA STATUTES  
ANNOTATED  
TITLE 3A. AMUSEMENTS AND  
SPORTS  
CHAPTER 2. HORSE RACING  
STATE-TRIBAL GAMING ACT**

*Current with emergency effective chapters  
through Chapter 36 of the First Regular  
Session of the 51st Legislature (2007).*

**§ 263. Distributions and payments by  
licensees**

A. Each organization licensee described in paragraph 2 of subsection C of Section 3 of this act [FN1] shall distribute from the first Ten Million Dollars (\$10,000,000.00) of adjusted gross revenues generated by any gaming conducted pursuant to this act [FN2] as follows:

1. Ten percent (10%) shall be remitted to the Oklahoma Tax Commission on the fifteenth day following the end of the month in which it was retained. Twelve percent (12%) of the revenue derived pursuant to this paragraph shall be apportioned monthly to the Oklahoma Higher Learning Access Trust Fund and eighty-eight percent (88%) of such revenue shall be apportioned to the Education Reform Revolving Fund;

2. Twenty-five percent (25%) shall be retained by the organization licensee to be distributed according to subsection H of this section; and

3. Sixty-five percent (65%) shall be retained by the organization licensee.

B. The organization licensee described in paragraph 1 of subsection C of Section 3 of this act shall distribute from the first Ten Million Dollars (\$10,000,000.00) of adjusted gross revenues generated by any gaming conducted pursuant to this act as follows:

1. Ten percent (10%) shall be remitted to the Tax Commission on the fifteenth day following the end of the month in which it was retained. Twelve percent (12%) of the revenue derived pursuant to this paragraph shall be apportioned monthly to the

Oklahoma Higher Learning Access Trust Fund and eighty-eight percent (88%) of such revenue shall be apportioned to the Education Reform Revolving Fund;

2. Thirty percent (30%) shall be retained by the organization licensee to be distributed according to subsection H of this section; and

3. Sixty percent (60%) shall be retained by the organization licensee.

\*3330 C. Each organization licensee shall distribute from retained adjusted gross revenues in excess of Ten Million Dollars (\$10,000,000.00) per calendar year but not to exceed Thirty Million Dollars (\$30,000,000.00) per calendar year generated from any gaming conducted pursuant to this act as follows:

1. Ten percent (10%) shall be remitted to the Tax Commission on the fifteenth day following the end of the month in which it was retained. Twelve percent (12%) of the revenue derived pursuant to this paragraph shall be apportioned monthly to the Oklahoma Higher Learning Access Trust Fund and eighty-eight percent (88%) of such revenue shall be apportioned to the Education Reform Revolving Fund;

2. Thirty percent (30%) shall be retained by the organization licensee to be distributed according to subsection H of this section; and

3. Sixty percent (60%) shall be retained by the organization licensee.

D. Each organization licensee shall distribute from retained adjusted gross revenues in excess of Thirty Million Dollars (\$30,000,000.00) per calendar year but not to exceed Forty Million Dollars (\$40,000,000.00) per calendar year generated by any gaming conducted pursuant to this act as follows:

1. Fifteen percent (15%) shall be remitted to the Tax Commission on the fifteenth day following the end of the month in which it was retained. Twelve percent (12%) of the revenue derived pursuant to this paragraph shall be apportioned monthly to the Oklahoma Higher Learning Access Trust Fund and eighty-eight percent (88%) of such revenue shall be apportioned to the Education Reform Revolving Fund;

**HISTORICAL NOTES**  
**HISTORICAL AND STATUTORY**  
**NOTES**

**2007 Electronic Update**

State Question No. 712, Legislative Referendum No. 335, proposing enactment of this section by Laws 2004, c. 316, was approved by the people Nov. 2, 2004.

Current with emergency effective chapters through Chapter 36 of the First Regular Session of the 51st Legislature (2007).