

1 ENGROSSED HOUSE
2 BILL NO. 1047

3 By: Luttrell of the House

4 and

5 Coleman of the Senate

6 [amusements and sports - state-tribal - gaming -
7 exception - Gaming Compact Supplement - sports
8 betting - tribal administration - supplements -
9 codification - effective date]

10
11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12
13 SECTION 1. AMENDATORY 3A O.S. 2021, Section 262, is
14 amended to read as follows:

15 Section 262. A. If at least four Indian tribes enter into the
16 model tribal-state compact set forth in Section 281 of this title,
17 and such compacts are approved by the Secretary of the Interior and
18 notice of such approval is published in the Federal Register, the
19 Oklahoma Horse Racing Commission ("Commission") shall license
20 organization licensees which are licensed pursuant to Section 205.2
21 of this title to conduct authorized gaming as that term is defined
22 by this act pursuant to this act utilizing gaming machines or
23 devices authorized by this act subject to the limitations of

1 subsection C of this section. No fair association or organization
2 licensed pursuant to Section 208.2 of this title or a city, town or
3 municipality incorporated or otherwise, or an instrumentality
4 thereof, may conduct authorized gaming as that term is defined by
5 this act.

6 Notwithstanding the provisions of Sections 941 through 988 of
7 Title 21 of the Oklahoma Statutes, the conducting of and
8 participation in gaming in accordance with the provisions of this
9 act or the model compact set forth in Section 281 of this title is
10 lawful and shall not be subject to any criminal penalties. Provided
11 further, a licensed manufacturer or distributor licensed pursuant to
12 this act may manufacture, exhibit or store as a lawful activity any
13 machines or devices which are capable of being used to conduct the
14 following types of gaming:

- 15 1. Gaming authorized by the State-Tribal Gaming Act; or
- 16 2. Other gaming which may be lawfully conducted by an Indian
17 tribe in this state.

18 B. Except for Christmas Day, authorized gaming may only be
19 conducted by an organization licensee on days when the licensee is
20 either conducting live racing or is accepting wagers on simulcast
21 races at the licensee's racing facilities. Authorized gaming may
22 only be conducted by organization licensees at enclosure locations
23 where live racing is conducted. Under no circumstances shall
24 authorized gaming be conducted by an organization licensee at any

1 facility outside the organization licensee's racing enclosure. No
2 person who would not be eligible to be a patron of a pari-mutuel
3 system of wagering pursuant to the provisions of subsection B of
4 Section 208.4 of this title shall be admitted into any area of a
5 facility when authorized games are played nor be permitted to
6 operate, or obtain a prize from, or in connection with, the
7 operation of any authorized game, directly or indirectly.

8 C. In order to encourage the growth, sustenance and development
9 of live horse racing in this state and of the state's agriculture
10 and horse industries, the Commission is hereby authorized to issue
11 licenses to conduct authorized gaming to no more than three
12 organization licensees operating racetrack locations at which horse
13 race meetings with pari-mutuel wagering, as authorized by the
14 Commission pursuant to the provisions of this title, occurred in
15 calendar year 2001, as follows:

16 1. An organization licensee operating a racetrack location at
17 which an organization licensee is licensed to conduct a race meeting
18 pursuant to the provisions of Section 205.2 of this title located in
19 a county with a population exceeding six hundred thousand (600,000)
20 persons, according to the most recent Federal Decennial Census,
21 shall be licensed to operate not more than six hundred fifty (650)
22 player terminals in any year. Beginning with the third year after
23 an organization licensee is licensed pursuant to this paragraph to
24 operate such player terminals, such licensee may be licensed to

1 operate an additional fifty (50) player terminals. Beginning with
2 the fifth year after an organization licensee is licensed pursuant
3 to this paragraph to operate such player terminals, such licensee
4 may be licensed to operate a further additional fifty (50) player
5 terminals; and

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

13 Subject to the limitations on the number of player terminals
14 permitted to each organization licensee, an organization licensee
15 may utilize electronic amusement games as defined in this act,
16 electronic bonanza-style bingo games as defined in this act and
17 electronic instant bingo games as defined in this act, and any type
18 of gaming machine or device that is specifically allowed by law and
19 that an Indian tribe in this state is authorized to utilize pursuant
20 to a compact entered into between the state and the tribe in
21 accordance with the provisions of the Indian Gaming Regulatory Act
22 and any other machine or device that an Indian tribe in this state
23 is lawfully permitted to operate pursuant to the Indian Gaming
24 Regulatory Act, referred to collectively as "authorized games". An

1 organization licensee's utilization of such machines or devices
2 shall be subject to the regulatory control and supervision of the
3 Commission; provided, the Commission shall have no role in oversight
4 and regulation of gaming conducted by a tribe subject to a compact.
5 The Commission shall promulgate rules to regulate the operation and
6 use of authorized gaming by organization licensees. In promulgating
7 such rules, the Commission shall consider the provisions of any
8 compact which authorizes electronic gaming which is specifically
9 authorized by law by an Indian tribe. For the purpose of paragraphs
10 1 and 2 of this subsection, the number of player terminals in an
11 authorized game that permits multiple players shall be determined by
12 the maximum number of players that can participate in that game at
13 any given time; provided, however, that nothing in this act
14 prohibits the linking of player terminals for progressive jackpots,
15 so long as the limitations on the number of permitted player
16 terminals at each organization licensee are not exceeded. Each
17 organization licensee shall keep a record of, and shall report at
18 least quarterly to the Oklahoma Horse Racing Commission, the number
19 of games authorized by this section utilized in the organization
20 licensee's facility, by the name or type of each and its identifying
21 number.

22 D. No zoning or other local ordinance may be adopted or amended
23 by a political subdivision where an organization licensee conducts
24 live horse racing with the intent to restrict or prohibit an

1 organization licensee's right to conduct authorized gaming at such
2 location.

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

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

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

20 H. This act is game-specific and shall not be construed to
21 allow the operation of any other form of gaming unless specifically
22 allowed by this act. This act shall not permit the operation of
23 slot machines, house-banked card games, house-banked table games
24 involving dice or roulette wheels, or ~~games where winners are~~

1 determined by wagering on the outcome of a sports contest; provided,
2 however, that wagering on the outcome of sports contests may be
3 conducted in accordance with Section 3 of this act.

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

6 Section 280. The State of Oklahoma through the concurrence of
7 the Governor after considering the executive prerogatives of that
8 office and the power to negotiate the terms of a compact between the
9 state and a tribe, and by means of the execution of the State-Tribal
10 Gaming Act, and with the concurrence of the State Legislature
11 through the enactment of the State-Tribal Gaming Act, hereby makes
12 the following offer of a ~~model tribal gaming compact~~ Model Tribal
13 Gaming Compact regarding gaming to all federally recognized Indian
14 tribes as identified in the Federal Register within this state that
15 own or are the beneficial owners of Indian lands as defined by the
16 Indian Gaming Regulatory Act, 25 U.S.C., Section 2703(4), and over
17 which the tribe has jurisdiction as recognized by the Secretary of
18 the Interior and is a part of the tribe's "Indian reservation" as
19 defined in 25 C.F.R., Part 151.2 or has been acquired pursuant to 25
20 C.F.R., Part 151, which, if accepted, shall constitute a gaming
21 compact between this state and the accepting tribe for purposes of
22 the Indian Gaming Regulatory Act. Acceptance of the offer contained
23 in this section shall be through the signature of the chief
24 executive officer of the tribal government whose authority to enter

1 into the ~~compact~~ Compact shall be set forth in an accompanying law
2 or ordinance or resolution by the governing body of the tribe, a
3 copy of which shall be provided by the tribe to the Governor. No
4 further action by the Governor or the state is required before the
5 ~~compact~~ Compact can take effect. A tribe accepting this Model
6 Tribal Gaming Compact is responsible for submitting a copy of the
7 Compact executed by the tribe to the Secretary of the Interior for
8 approval and publication in the Federal Register. The tribe shall
9 provide a copy of the executed Compact to the Governor. No tribe
10 shall be required to agree to terms different than the terms set
11 forth in the Model Tribal Gaming Compact, which is set forth in
12 Section 281 of this title. As a precondition to execution of the
13 Model Tribal Gaming Compact by any tribe, the tribe must have paid
14 or entered into a written agreement for payment of any fines
15 assessed prior to the effective date of the State-Tribal Gaming Act
16 by the federal government with respect to the tribe's gaming
17 activities pursuant to the Indian Gaming Regulatory Act.

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

23
24

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

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

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

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

Provided, the first Twenty Thousand Eight Hundred Thirty-three Dollars and thirty-three cents (\$20,833.33) of all fees received each month by the state pursuant to subsection A of Part 11 of the Model Tribal Gaming Compact set forth in Section 281 of this title and Gaming Compact Supplements offered pursuant to Section 280.1 of this title and Section 3 of this act shall be transferred to the Department of Mental Health and Substance Abuse Services for the

1 treatment of compulsive gambling disorder and educational programs
2 related to such disorder.

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

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

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

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

24 MODEL TRIBAL GAMING COMPACT SUPPLEMENT

1 Between the [Name of Tribe]

2 and the STATE OF OKLAHOMA

3 To be governed in accord with the [Name of Tribe]'s State-Tribal

4 Gaming Compact ("Compact"), approved by the United States Department

5 of the Interior on [Date], the [Name of Tribe] ("Tribe") accepts the

6 state's offer of additional covered game codified in Section 280.2

7 of Title 3A of the Oklahoma Statutes, which offer and this

8 acceptance are subject to the following terms:

9 Part 1. TITLE

10 This document shall be referred to as the "[Name of Tribe] and

11 State of Oklahoma Gaming Compact Sports Betting Supplement (Gaming

12 Compact Supplement)".

13 Part 2. TERMS

14 A. The Tribe hereby memorializes its election to accept the

15 state's offer of an additional covered game, which offer is codified

16 in Section 280.2 of Title 3A of the Oklahoma Statutes. The Tribe

17 further certifies and agrees it shall not offer such additional

18 covered game unless and until doing so would be legal under federal

19 law.

20 B. The Tribe agrees, subject to the enforcement and exclusivity

21 provisions of its Compact, to pay to the state a fee derived from

22 sports betting revenues calculated as set forth in this subsection.

23 Such fee shall be paid no later than the twentieth day of the month

24 for revenues received by the Tribe in the preceding month. The fee

1 shall be ten percent (10%) of monthly adjusted transaction total
2 from sports betting. For purposes of this Supplement, "adjusted
3 transaction total" means the gross sports betting transaction total
4 less (1) winnings returned to patrons on associated wagers, (2)
5 voided wagers, (3) free play or other promotional credits, (4)
6 generally accepted associated operating costs, and (5) any
7 associated federal excise taxes.

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

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

21 Part 3. AUTHORITY TO EXECUTE

22 This Gaming Compact Supplement, to the extent it conforms with
23 Section 280.2 of Title 3A of the Oklahoma Statutes, is deemed
24 approved by the State of Oklahoma. No further action of the State

1 or any state official is necessary for this Gaming Compact
2 Supplement to take effect upon approval by the Secretary of the
3 United States Department of the Interior and publication in the
4 Federal Register. The undersigned tribal official(s) represents
5 that he or she is duly authorized and has the authority to execute
6 this Gaming Compact Supplement on behalf of the Tribe for whom he or
7 she is signing.

8 APPROVED:

9 [Name of Tribe]

10 _____ Date: _____

11 [Title]

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

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

22 E. The Tribe is entitled to keep an amount equal to state
23 payments from the operation of sports betting. For all purposes,
24 such payment shall be deemed an exclusivity and fee payment under

1 paragraph 2 of subsection A of Part 11 of the State-Tribal Gaming
2 Compact between the electing Tribe and the State.

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

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

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

13 Passed the House of Representatives the 26th day of March, 2025.

14
15 _____
16 Presiding Officer of the House
17 of Representatives

18 Passed the Senate the ____ day of _____, 2025.

19
20 _____
21 Presiding Officer of the Senate