

1 **SENATE FLOOR VERSION**

2 February 20, 2025

3 **AS AMENDED**

4 SENATE BILL NO. 125

5 By: Rader

6 [ amusements and sports - state-tribal gaming -  
7 exception - Gaming Compact Supplement - fees -  
8 retention of funds - scope - codification - effective  
9 date ]

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

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

13 Section 262. A. If at least four Indian tribes enter into the  
14 ~~model tribal-state compact~~ Model Tribal Gaming Compact set forth in  
15 Section 281 of this title, and such compacts are approved by the  
16 Secretary of the Interior and notice of such approval is published  
17 in the Federal Register, the Oklahoma Horse Racing Commission  
18 ~~("Commission")~~ shall license organization licensees which are  
19 licensed pursuant to Section 205.2 of this title to conduct  
20 authorized gaming as that term is defined by ~~this act~~ the State-  
21 Tribal Gaming Act pursuant to ~~this act~~ the State-Tribal Gaming Act  
22 utilizing gaming machines or devices authorized by ~~this act~~ the  
23 State-Tribal Gaming Act subject to the limitations of subsection C  
24 of this section. No fair association or organization licensed

1 pursuant to Section 208.2 of this title or a city, town or  
2 municipality incorporated or otherwise, or an instrumentality  
3 thereof, may conduct authorized gaming as that term is defined by  
4 ~~this act~~ the State-Tribal Gaming Act.

5 Notwithstanding the provisions of Sections 941 through 988 of  
6 Title 21 of the Oklahoma Statutes, the conducting of and  
7 participation in gaming in accordance with the provisions of ~~this~~  
8 ~~act~~ the State-Tribal Gaming Act or the model compact set forth in  
9 Section 281 of this title is lawful and shall not be subject to any  
10 criminal penalties. Provided further, a licensed manufacturer or  
11 distributor licensed pursuant to ~~this act~~ the State-Tribal Gaming  
12 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~~ the  
16 State-Tribal Gaming Act, electronic bonanza-style bingo games as  
17 defined in ~~this act~~ the State-Tribal Gaming Act and electronic  
18 instant bingo games as defined in ~~this act~~ the State-Tribal Gaming  
19 Act, and any type of gaming machine or device that is specifically  
20 allowed by law and that an Indian tribe in this state is authorized  
21 to utilize pursuant to a compact entered into between the state and  
22 the tribe in accordance with the provisions of the Indian Gaming  
23 Regulatory Act and any other machine or device that an Indian tribe  
24 in this state is lawfully permitted to operate pursuant to the

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

23 D. No zoning or other local ordinance may be adopted or amended  
24 by a political subdivision where an organization licensee conducts

1 live horse racing with the intent to restrict or prohibit an  
2 organization licensee's right to conduct authorized gaming at such  
3 location.

4 E. For purposes of ~~this act~~ the State-Tribal Gaming Act,  
5 "adjusted gross revenues" means the total receipts received by an  
6 organization licensee from the play of all authorized gaming minus  
7 all monetary payouts.

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

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

23 H. ~~This act~~ The State-Tribal Gaming Act is game-specific and  
24 shall not be construed to allow the operation of any other form of

1 gaming unless specifically allowed by ~~this act~~ the State-Tribal  
2 Gaming Act. ~~This act~~ The State-Tribal Gaming Act shall not permit  
3 the operation of slot machines, house-banked card games, or house-  
4 banked table games involving dice or roulette wheels, or ~~games where~~  
5 ~~winners are determined by~~ wagering on the outcome of a sports  
6 contest; provided that in-person wagering and wagering conducted on  
7 a mobile device on the outcome of sports contests may be conducted  
8 in accordance with Section 3 of this act.

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

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

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

23 Notwithstanding the provisions of Sections 941 through 988 of  
24 Title 21 of the Oklahoma Statutes, the conducting of and the



1 participation in any game authorized by the ~~model-compact~~ Model  
2 Tribal Gaming Compact set forth in Section 281 of this title are  
3 lawful when played pursuant to a compact which has become effective.

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

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

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

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

20 Provided, the first Twenty Thousand Eight Hundred Thirty-three  
21 Dollars and thirty-three cents (\$20,833.33) of all fees received  
22 each month by the state pursuant to subsection A of Part 11 of the  
23 Model Tribal Gaming Compact set forth in Section 281 of this title  
24 and Gaming Compact Supplements offered pursuant to Section ~~2~~ 280.1

1 of this title and Section 3 of this act shall be transferred to the  
2 Department of Mental Health and Substance Abuse Services for the  
3 treatment of compulsive gambling disorder and educational programs  
4 related to such disorder.

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

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

18 "Sports pools" means any in-person wagering and wagering  
19 conducted on a mobile device on the outcome of sporting events or  
20 other events, other than horse or other animal races.

21 B. If a tribe that has compacted with the state in accordance  
22 with Sections 280 and 281 of Title 3A of the Oklahoma Statutes  
23 elects to accept this offer of an additional covered game and,  
24 accordingly, to operate sports pools under the terms of its existing

1 gaming compact with the state, the tribe shall execute a supplement  
2 to the compact, to provide as follows:

3 MODEL TRIBAL GAMING COMPACT SUPPLEMENT

4 Between the [Name of Tribe]

5 and the STATE OF OKLAHOMA

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

12 Part 1. TITLE

13 This document shall be referred to as the "[Name of Tribe] and  
14 State of Oklahoma Gaming Compact Sports Pools Supplement (Gaming  
15 Compact Supplement)".

16 Part 2. TERMS

17 A. The Tribe hereby memorializes its election to accept the  
18 state's offer of an additional covered game, which offer is codified  
19 in Section 280.2 of Title 3A of the Oklahoma Statutes. The Tribe  
20 further certifies and agrees it shall not offer such additional  
21 covered game unless and until doing so would be legal under federal  
22 law.

23 B. The Tribe agrees, subject to the enforcement and exclusivity  
24 provisions of its Compact, to pay to the state a fee derived from

1 sports pool revenues calculated as set forth in paragraph 2 of this  
2 subsection. Such fee shall be paid no later than the twentieth day  
3 of the month for revenues received by the Tribe in the preceding  
4 month.

5 1. The fee shall be:

6 a. five percent (5%) of the first Five Million Dollars  
7 (\$5,000,000.00) of monthly net win received by a Tribe  
8 in a calendar year from the play of sports pools,

9 b. six percent (6%) of the next Five Million Dollars  
10 (\$5,000,000.00) of adjusted gross revenues received by  
11 a Tribe in a calendar year from the play of sports  
12 pools, and

13 c. seven percent (7%) of all subsequent adjusted gross  
14 revenues received by a Tribe in a calendar year from  
15 the play of sports pools.

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

1 C. The Tribe's operation of sports pools pursuant to this  
2 Gaming Compact Supplement shall, for all purposes, including  
3 enforcement and exclusivity, be treated as subject to and lawfully  
4 conducted under the terms and provisions of the Compact.

5 Part 3. AUTHORITY TO EXECUTE

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

16 APPROVED:

17 [Name of Tribe]

18 \_\_\_\_\_ Date: \_\_\_\_\_

19 [Title]

20 A. A tribe electing to accept this additional game offering is  
21 responsible for submitting a copy of the executed supplement to the  
22 Secretary of the United States Department of the Interior for  
23 approval and publication in the Federal Register.

24

1 B. Upon approval of a supplement by the Secretary of the United  
2 States Department of the Interior, said supplement shall be  
3 construed as an acceptance of this offer and a supplement to the  
4 Tribe's existing Model Tribal Gaming Compact with the State.  
5 Thereafter, sports pools shall be deemed a covered game pursuant to  
6 said Compact.

7 C. The Tribe is entitled to keep an amount equal to state  
8 payments from the operation of sports pools. For all purposes, such  
9 payment shall be deemed an exclusivity and fee payment under  
10 paragraph 2 of subsection A of Part 11 of the Model Tribal Gaming  
11 Compact between the electing Tribe and the State.

12 D. The offer contained in this section shall not be construed  
13 to permit the operation of any additional form of gaming by  
14 organization licensees or permit any additional electronic or  
15 machine gaming within Oklahoma.

16 E. Notwithstanding the provisions of Sections 941 through 988  
17 of Title 21 of the Oklahoma Statutes, the conducting of and  
18 participation in any game authorized pursuant to this section are  
19 lawful when played pursuant to a compact supplement which has become  
20 effective in accordance with this section.

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

22 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS  
23 February 20, 2025 - DO PASS AS AMENDED  
24