

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 SENATE BILL 125

By: Rader

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7 AS INTRODUCED

8 An Act relating to amusements and sports; amending 3A
9 O.S. 2021, Sections 262 and 280, which relate to
10 state-tribal gaming; providing exception; offering
11 Gaming Compact Supplement related to sports pools;
12 defining term; authorizing fees related to tribal
13 administration of the games; proscribing content of
14 Gaming Compact Supplement; proscribing procedures for
15 electing acceptance of supplements; providing for
16 certain construction of supplements; allowing
17 retention of funds by tribes in certain amounts;
18 limiting scope of Gaming Compact Supplement;
19 declaring certain conduct and participation lawful;
20 updating statutory language; updating statutory
21 references; providing for codification; and providing
22 an effective date.

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

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

25 Section 262. A. If at least four Indian tribes enter into the
26 ~~model tribal state compact~~ Model Tribal Gaming Compact set forth in
27 Section 281 of this title, and such compacts are approved by the
28 Secretary of the Interior and notice of such approval is published

1 in the Federal Register, the Oklahoma Horse Racing Commission
2 (~~"Commission"~~) shall license organization licensees which are
3 licensed pursuant to Section 205.2 of this title to conduct
4 authorized gaming as that term is defined by ~~this act~~ the State-
5 Tribal Gaming Act pursuant to ~~this act~~ the State-Tribal Gaming Act
6 utilizing gaming machines or devices authorized by ~~this act~~ the
7 State-Tribal Gaming Act subject to the limitations of subsection C
8 of this section. No fair association or organization licensed
9 pursuant to Section 208.2 of this title or a city, town or
10 municipality incorporated or otherwise, or an instrumentality
11 thereof, may conduct authorized gaming as that term is defined by
12 ~~this act~~ the State-Tribal Gaming Act.

13 Notwithstanding the provisions of Sections 941 through 988 of
14 Title 21 of the Oklahoma Statutes, the conducting of and
15 participation in gaming in accordance with the provisions of ~~this~~
16 ~~act~~ the State-Tribal Gaming Act or the model compact set forth in
17 Section 281 of this title is lawful and shall not be subject to any
18 criminal penalties. Provided further, a licensed manufacturer or
19 distributor licensed pursuant to ~~this act~~ the State-Tribal Gaming
20 Act may manufacture, exhibit or store as a lawful activity any
21 machines or devices which are capable of being used to conduct the
22 following types of gaming:

- 23 1. Gaming authorized by the State-Tribal Gaming Act; or

1 2. Other gaming which may be lawfully conducted by an Indian
2 tribe in this state.

3 B. Except for Christmas Day, authorized gaming may only be
4 conducted by an organization licensee on days when the licensee is
5 either conducting live racing or is accepting wagers on simulcast
6 races at the licensee's racing facilities. Authorized gaming may
7 only be conducted by organization licensees at enclosure locations
8 where live racing is conducted. Under no circumstances shall
9 authorized gaming be conducted by an organization licensee at any
10 facility outside the organization licensee's racing enclosure. No
11 person who would not be eligible to be a patron of a pari-mutuel
12 system of wagering pursuant to the provisions of subsection B of
13 Section 208.4 of this title shall be admitted into any area of a
14 facility when authorized games are played nor be permitted to
15 operate, or obtain a prize from, or in connection with, the
16 operation of any authorized game, directly or indirectly.

17 C. In order to encourage the growth, sustenance and development
18 of live horse racing in this state and of the state's agriculture
19 and horse industries, the Commission is hereby authorized to issue
20 licenses to conduct authorized gaming to no more than three
21 organization licensees operating racetrack locations at which horse
22 race meetings with pari-mutuel wagering, as authorized by the
23 Commission pursuant to the provisions of this title, occurred in
24 calendar year 2001, as follows:

1 1. An organization licensee operating a racetrack location at
2 which an organization licensee is licensed to conduct a race meeting
3 pursuant to the provisions of Section 205.2 of this title located in
4 a county with a population exceeding six hundred thousand (600,000)
5 persons, according to the most recent Federal Decennial Census,
6 shall be licensed to operate not more than six hundred fifty ~~(650)~~
7 player terminals in any year. Beginning with the third year after
8 an organization licensee is licensed pursuant to this paragraph to
9 operate such player terminals, such licensee may be licensed to
10 operate an additional fifty ~~(50)~~ player terminals. Beginning with
11 the fifth year after an organization licensee is licensed pursuant
12 to this paragraph to operate such player terminals, such licensee
13 may be licensed to operate a further additional fifty ~~(50)~~ player
14 terminals; and

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

22 Subject to the limitations on the number of player terminals
23 permitted to each organization licensee, an organization licensee
24 may utilize electronic amusement games as defined in ~~this act~~ the

1 State-Tribal Gaming Act, electronic bonanza-style bingo games as
2 defined in ~~this act~~ the State-Tribal Gaming Act and electronic
3 instant bingo games as defined in ~~this act~~ the State-Tribal Gaming
4 Act, and any type of gaming machine or device that is specifically
5 allowed by law and that an Indian tribe in this state is authorized
6 to utilize pursuant to a compact entered into between the state and
7 the tribe in accordance with the provisions of the Indian Gaming
8 Regulatory Act and any other machine or device that an Indian tribe
9 in this state is lawfully permitted to operate pursuant to the
10 Indian Gaming Regulatory Act, referred to collectively as
11 "authorized games". An organization licensee's utilization of such
12 machines or devices shall be subject to the regulatory control and
13 supervision of the Commission; provided, the Commission shall have
14 no role in oversight and regulation of gaming conducted by a tribe
15 subject to a compact. The Commission shall promulgate rules to
16 regulate the operation and use of authorized gaming by organization
17 licensees. In promulgating such rules, the Commission shall
18 consider the provisions of any compact which authorizes electronic
19 gaming which is specifically authorized by law by an Indian tribe.
20 For the purpose of paragraphs 1 and 2 of this subsection, the number
21 of player terminals in an authorized game that permits multiple
22 players shall be determined by the maximum number of players that
23 can participate in that game at any given time; provided, however,
24 that nothing in ~~this act~~ the State-Tribal Gaming Act prohibits the

1 linking of player terminals for progressive jackpots, so long as the
2 limitations on the number of permitted player terminals at each
3 organization licensee are not exceeded. Each organization licensee
4 shall keep a record of, and shall report at least quarterly to the
5 Oklahoma Horse Racing Commission, the number of games authorized by
6 this section utilized in the organization licensee's facility, by
7 the name or type of each and its identifying number.

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

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

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

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

8 H. ~~This act~~ The State-Tribal Gaming Act is game-specific and
9 shall not be construed to allow the operation of any other form of
10 gaming unless specifically allowed by ~~this act~~ the State-Tribal
11 Gaming Act. ~~This act~~ The State-Tribal Gaming Act shall not permit
12 the operation of slot machines, house-banked card games, or house-
13 banked table games involving dice or roulette wheels, or ~~games where~~
14 ~~winners are determined by~~ wagering on the outcome of a sports
15 contest; provided that in-person wagering and wagering conducted on
16 a mobile device on the outcome of sports contests may be conducted
17 in accordance with Section 3 of this act.

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

20 Section 280. The State of Oklahoma through the concurrence of
21 the Governor after considering the executive prerogatives of that
22 office and the power to negotiate the terms of a compact between the
23 state and a tribe, and by means of the execution of the State-Tribal
24 Gaming Act, and with the concurrence of the ~~State~~ Legislature

1 through the enactment of the State-Tribal Gaming Act, hereby makes
2 the following offer of a ~~model tribal gaming compact~~ Model Tribal
3 Gaming Compact regarding gaming to all federally recognized Indian
4 tribes as identified in the Federal Register within this state that
5 own or are the beneficial owners of Indian lands as defined by the
6 Indian Gaming Regulatory Act, 25 U.S.C., Section 2703(4), and over
7 which the tribe has jurisdiction as recognized by the Secretary of
8 the Interior and is a part of the tribe's "Indian reservation" as
9 defined in 25 C.F.R., Part 151.2 or has been acquired pursuant to 25
10 C.F.R., Part 151, which, if accepted, shall constitute a gaming
11 compact between this state and the accepting tribe for purposes of
12 the Indian Gaming Regulatory Act. Acceptance of the offer contained
13 in this section shall be through the signature of the chief
14 executive officer of the tribal government whose authority to enter
15 into the ~~compact~~ Compact shall be set forth in an accompanying law
16 or ordinance or resolution by the governing body of the tribe, a
17 copy of which shall be provided by the tribe to the Governor. No
18 further action by the Governor or the state is required before the
19 ~~compact~~ Compact can take effect. A tribe accepting this Model
20 Tribal Gaming Compact is responsible for submitting a copy of the
21 Compact executed by the tribe to the Secretary of the Interior for
22 approval and publication in the Federal Register. The tribe shall
23 provide a copy of the executed Compact to the Governor. No tribe
24 shall be required to agree to terms different than the terms set

1 forth in the Model Tribal Gaming Compact, which is set forth in
2 Section 281 of this title. As a precondition to execution of the
3 Model Tribal Gaming Compact by any tribe, the tribe must have paid
4 or entered into a written agreement for payment of any fines
5 assessed prior to the effective date of the State-Tribal Gaming Act
6 by the federal government with respect to the tribe's gaming
7 activities pursuant to the Indian Gaming Regulatory Act.

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

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

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

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

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

5 Provided, the first Twenty Thousand Eight Hundred Thirty-three
6 Dollars and thirty-three cents (\$20,833.33) of all fees received
7 each month by the state pursuant to subsection A of Part 11 of the
8 Model Tribal Gaming Compact set forth in Section 281 of this title
9 and Gaming Compact Supplements offered pursuant to Section ~~2~~ 280.1
10 of this title and Section 3 of this act shall be transferred to the
11 Department of Mental Health and Substance Abuse Services for the
12 treatment of compulsive gambling disorder and educational programs
13 related to such disorder.

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

17 A. Provided that federal laws permit and pursuant to the offer
18 of the Model Tribal Gaming Compact made in Section 280 of Title 3A
19 of the Oklahoma Statutes and the definition of "covered games" in
20 the Model Tribal Gaming Compact codified in Section 281 of Title 3A
21 of the Oklahoma Statutes, which codified compact offer provides that
22 the state may approve additional forms of covered games under the
23 compact by amendment of the State-Tribal Gaming Act and a compacting
24 tribe may operate such additional forms of covered games by written

1 supplement to an existing compact, the state hereby approves,
2 subject to this section, an additional game offering as follows:

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

6 B. If a tribe that has compacted with the state in accordance
7 with Sections 280 and 281 of Title 3A of the Oklahoma Statutes
8 elects to accept this offer of an additional covered game and,
9 accordingly, to operate sports pools under the terms of its existing
10 gaming compact with the state, the tribe shall execute a supplement
11 to the compact, to provide as follows:

12 MODEL TRIBAL GAMING COMPACT SUPPLEMENT

13 Between the [Name of Tribe]

14 and the STATE OF OKLAHOMA

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

21 Part 1. TITLE

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

1 Part 2. TERMS

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

8 B. The Tribe agrees, subject to the enforcement and exclusivity
9 provisions of its Compact, to pay to the state a fee derived from
10 sports pool revenues calculated as set forth in paragraph 2 of this
11 subsection. Such fee shall be paid no later than the twentieth day
12 of the month for revenues received by the Tribe in the preceding
13 month.

14 1. The fee shall be:

- 15 a. five percent (5%) of the first Five Million Dollars
16 (\$5,000,000.00) of monthly net win received by a Tribe
17 in a calendar year from the play of sports pools,
18 b. six percent (6%) of the next Five Million Dollars
19 (\$5,000,000.00) of adjusted gross revenues received by
20 a Tribe in a calendar year from the play of sports
21 pools, and
22 c. seven percent (7%) of all subsequent adjusted gross
23 revenues received by a Tribe in a calendar year from
24 the play of sports pools.

1 2. Payment of such fee shall be made to the Treasurer of the
2 State of Oklahoma. Nothing herein shall require the allocation of
3 such fee to particular state purposes including, but not limited to,
4 the actual costs of performing the State's regulatory
5 responsibilities hereunder. "Net win" shall mean all money wagered
6 less prizes paid out and less applicable federal taxes. For all
7 purposes, such payment shall be deemed an exclusivity and fee
8 payment under paragraph 2 of subsection A of Part 11 of the Model
9 Tribal Gaming Compact between the electing Tribe and the State.

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

14 Part 3. AUTHORITY TO EXECUTE

15 This Gaming Compact Supplement, to the extent it conforms with
16 Section 280.2 of Title 3A of the Oklahoma Statutes, is deemed
17 approved by the State of Oklahoma. No further action of the State
18 or any state official is necessary for this Gaming Compact
19 Supplement to take effect upon approval by the Secretary of the
20 United States Department of the Interior and publication in the
21 Federal Register. The undersigned tribal official(s) represents
22 that he or she is duly authorized and has the authority to execute
23 this Gaming Compact Supplement on behalf of the Tribe for whom he or
24 she is signing.

1 APPROVED:

2 [Name of Tribe]

3 _____ Date: _____

4 [Title]

5 A. A tribe electing to accept this additional game offering is
6 responsible for submitting a copy of the executed supplement to the
7 Secretary of the United States Department of the Interior for
8 approval and publication in the Federal Register.

9 B. Upon approval of a supplement by the Secretary of the United
10 States Department of the Interior, said supplement shall be
11 construed as an acceptance of this offer and a supplement to the
12 Tribe's existing Model Tribal Gaming Compact with the State.
13 Thereafter, sports pools shall be deemed a covered game pursuant to
14 said Compact.

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

20 D. The offer contained in this section shall not be construed
21 to permit the operation of any additional form of gaming by
22 organization licensees or permit any additional electronic or
23 machine gaming within Oklahoma.

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

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

60-1-1459 CAD 12/27/2024 11:25:49 AM