

# Presentation to House and Senate Joint Budget Hearing

AP-Natural Resources and Regulatory  
Services  
Subcommittee

Oklahoma Horse Racing Commission  
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Oklahoma Statutes, Title 3A  
The Oklahoma Horse Racing Act  
The State-Tribal Gaming Act

# Mission Statement

The Oklahoma Horse Racing Commission encourages agriculture, the breeding of horses, the growth, sustenance and development of live racing, and generates public revenue through the forceful control, regulation, implementation and enforcement of Commission-licensed horse racing and gaming.

# Agency Duties/Responsibilities

## Horse Racing Act

### 3A OS §203.7

**In the interest of public health, safety, and welfare, it is hereby declared to be the purpose and intent of the Oklahoma Horse Racing Act to vest in the Commission plenary power to promulgate rules and regulations for the forceful control of race meetings held in this state. The rules and regulations shall:**


- 1. Encourage agriculture and the breeding of horses in this state; and**
- 2. Maintain race meetings held in this state of the highest quality; and free of any horse racing practices which are corrupt, incompetent, dishonest, or unprincipled; and**
- 3. Dissipate any cloud of association with the undesirable and maintain the appearance as well as the fact of complete honesty and integrity of horse racing in this state; and**
- 4. Generate public revenues.**



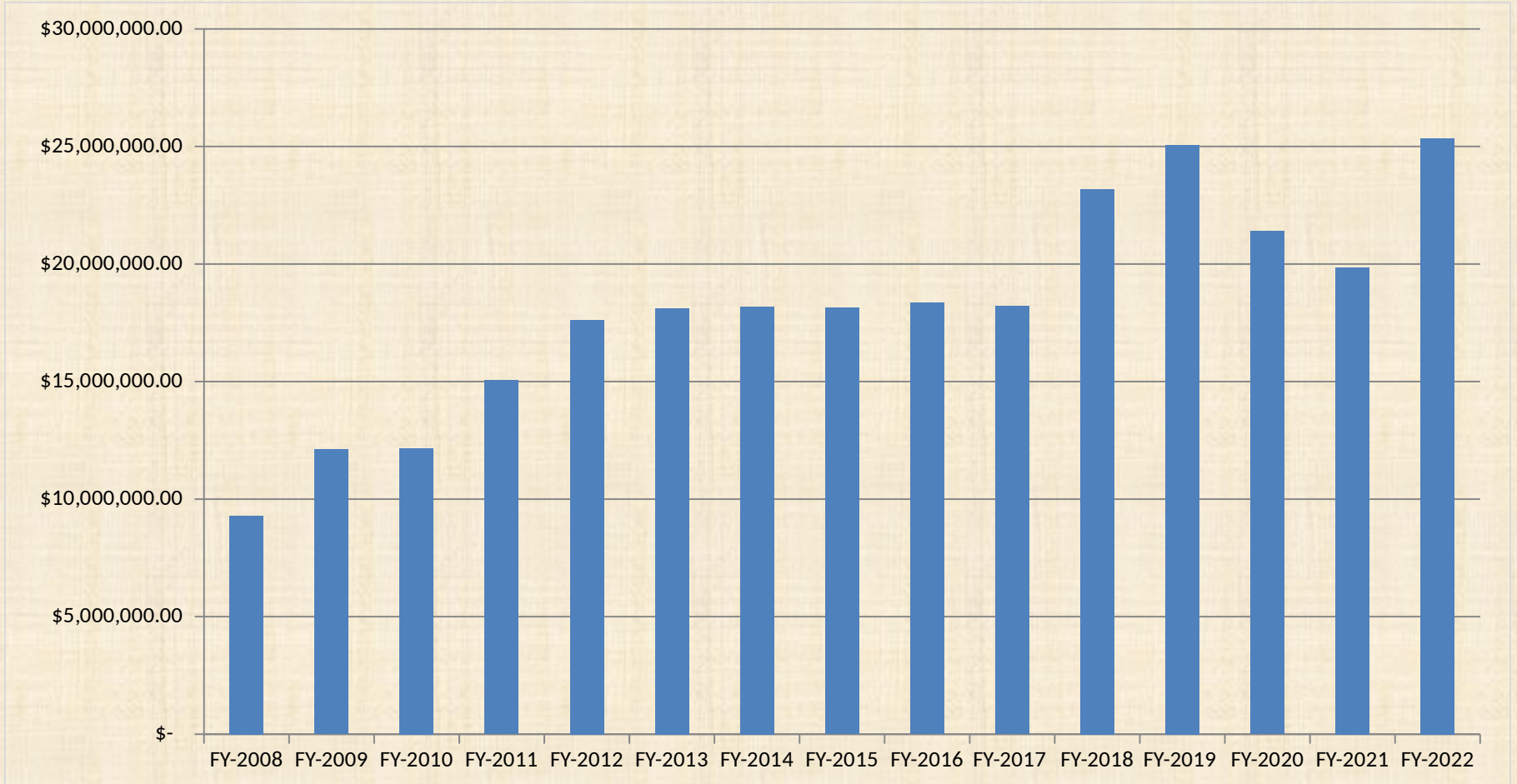
# Gaming Taxes

	<b>Gaming</b>	<b>Monthly Average</b>	
<b>FY2022</b>	<b>\$28,801,544</b>	<b>\$2,400,128</b>	<b>21.7% increase from prior FY</b>
<b>FY2021</b>	<b>\$22,555,304</b>	<b>\$1,950,402</b>	<b>7.8% decrease from prior FY</b>
<b>FY2020</b>	<b>\$24,317,573</b>	<b>\$2,026,464</b>	<b>17% decrease from prior FY</b>
<b>FY2019</b>	<b>\$28,473,064</b>	<b>\$2,372,755</b>	<b>7.5% increase from prior FY</b>
<b>FY2018</b>	<b>\$26,350,294</b>	<b>\$2,195,858</b>	<b>21.5% increase from prior FY</b>
<b>FY2017</b>	<b>\$20,688,308</b>	<b>\$1,728,215</b>	
<b>FY2016</b>	<b>\$20,844,405</b>	<b>\$1,737,034</b>	
<b>FY2015</b>	<b>\$20,615,260</b>	<b>\$1,717,938</b>	
<b>FY2014</b>	<b>\$20,674,674</b>	<b>\$1,722,890</b>	

Based on first 4 months of FY21 data



# Gaming Contributions To Education



# Total Revenue Generated For The State

FY-2005 through FY-2022 (projected)

Gen Rev            \$41,554,552

Education            \$311,180,142

Total                \$352,734,694



# Horseracing And Integrity Act of 2020 (HISA)

HR1754 - Congress passed the so called Horseracing Integrity and Safety Act of 2020 last December. It was passed without a hearing and was included in the year end "Omnibus Packet". The language for this legislation was not made available to the public or Congress until (4) hours before being called for a vote on the floor.

HISA will go into effect on July 1, 2022 unless several lawsuits, including one filed by the OK Attorney Generals Office, are successful in having this act of Federal intervention ruled unconstitutional.

The cost to individual states to fund this new "authority" is still unknown but quotes from HISA personnel have indicated it will come with a considerably higher amount than initially projected (this "projected amount" was never disclosed to the the public). Nearly all Federal programs that involve a state include a Federal matching fund. However, HISA is an unfunded Federal mandate requiring the State of Oklahoma to administer excessive Federal regulations that will have a catastrophic impact on the Oklahoma horse racing industry.

As you know, the OHRC is a non-appropriated state agency charged with enforcing our state laws as they pertain to horse racing and breeding. By statute, we are limited to budget increases determined by the annual CPI rating. *As such, we cannot confirm our final budget until the CPI is published on Feb 10, 2022.* Regardless the cost of HISA, the OHRC will not be in a financial position to enforce this federally mandated program. Obviously, this would put one of our states historic industries at risk.

While a contract has not been signed to date, the **United States Anti-Doping Agency (USADA)**, a private non-profit, non-governmental 501 (c) (3) organization, is expected to be the entity designated by HISA to oversee drug testing at laboratories that currently provide this service to racing jurisdictions. They will also be over investigations, litigation and penalties for violations by horsemen and/or non-compliance by racetrack owners.