Presentation to House and Senate Joint Budget Hearing AP-Natural Resources and Regulatory Services

Subcommittee January 24, 2018

Oklahoma Horse Racing Commission
Kelly Cathey, Executive Director
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 the 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.

How is the Industry doing?

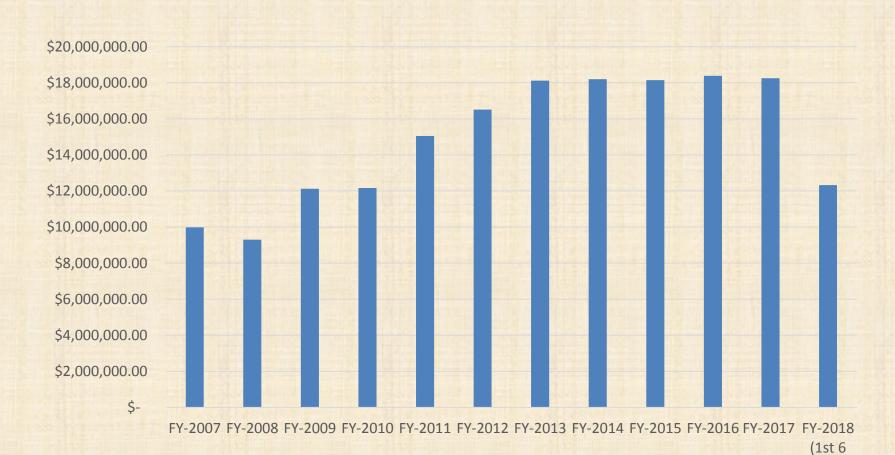
Highlights

- •Gaming Taxes Paid to the Oklahoma Tax Commission on behalf of the OHRC to Education and General Revenue shows a decrease of 0.73% from FY-2016 to FY-2017.
- Gaming Taxes for the first six months of FY-2018 compared to the first six months of FY-2017 is a 17.93 % increase.
- •Number of Licenses issued from Calendar 2017-6647. (2.13% decrease from CY2016)
- •Handle for CY-2016 of \$154,432,193 shows an increase of 136.74% compared to CY-2015 of \$65,232,658. CY-2017 figures will be released in March 2018.

Gaming Taxes

Gaming	Monthly Average	
\$14,005,449.97	\$2,334,241.66	17.93% increase from prior FY
\$11,875,627.96	\$1,979,271.33	
\$20,738,589.06	\$1,728,215.76	
\$20,892,957.87	\$1,741,079.82	
\$20,592,150.32	\$1,716,012.53	
\$20,615,037.23	\$1,717,919.77	
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Gaming Contributions To Education



Total Revenue Generated For The State

Revenue

FY-2005 through FY-2018(1st 6mo)

Gaming Tax \$25,201,003

Education \$184,807,355

Total \$210,008,358

The Oklahoma Horse Racing Commission becoming a non-appropriated agency by HB1858, has saved the State of Oklahoma in appropriations. Self-funding the agency has allowed the Oklahoma Horse Racing Commission to fulfill its obligation to provide necessary regulatory protection of the state's gaming and racing operations.

HB 1836 removed a restriction that limited hours of operation at two OHRC regulated Racinos which provided an increase in gaming taxes and education revenue for the State of Oklahoma.