

TITLE 325. OKLAHOMA HORSE RACING COMMISSION

CHAPTER 65. PARI-MUTUEL WAGERING

325:65-1-31.1. Definitions

In addition to the definitions provided in Section 200.1 Title 3A of the Oklahoma Statutes, the following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"Act" means the Oklahoma Horse Racing Act [3A O.S. 200, et seq.].

"Betting interest" means one or more horses in a pari-mutuel contest which are identified by a single program number for wagering purposes.

"Breakage" means the net pool minus payout.

"Carryover" means non-distributed pool monies which are retained and added to a corresponding pool in accordance with these rules.

"Commissioner" means a member of the Oklahoma Horse Racing Commission.

"Complaint" means a written allegation of a violation of statute or these rules.

"Contest" means a competitive racing event on which pari-mutuel wagering is conducted.

"Contestant" means an individual participant in a contest.

"Coupled entry" means two or more contestants in a contest that are treated as a single betting interest for pari-mutuel wagering purposes (also see "Entry").

"Dark day" means a day during a live race meeting when no pari-mutuel wagering is conducted.

"Day" means a 24-hour period ending at midnight.

"Dead heat" means the finish of a race in which the noses of two or more horses reach the finish line at the same time.

"Entry" means:

- (A) a horse eligible for and entered in a race
- (B) Two or more horses, entered in the same race, which have common ties of ownership, lease or training (see "Coupled Entry").

"Expired ticket" means an outstanding ticket which was not presented for redemption within the required time period for which it was issued.

"Field" means all horses competing in a race.

"Guest organization licensee" means an association which offers licensed pari-mutuel wagering on contests conducted by another organization licensee which is the host in either the same jurisdiction or another jurisdiction.

"Handle" means the total amount of all pari-mutuel wagering sales excluding refunds and cancellations.

"Host organization licensee" means the association conducting a licensed pari-mutuel meeting from which authorized contests or entire performances are simulcast.

"Inquiry" means:

- (A) an investigation by the Stewards of potential interference in a contest prior to declaring the result of said contest official; or
- (B) the Stewards or Commission investigation of a matter alleged to be related to the provisions of the Act or the rules of the Commission.

"Mutuel field" means two or more contestants treated as a single betting interest for pari-mutuel wagering purposes because the number of betting interests exceeds the number that can be handled individually by the pari-mutuel system.

"Net pool" means the amount of gross ticket sales less refundable wagers and statutory commissions.

"No contest" means a race canceled for any reason by the stewards.

"Occupation license" means a state requirement for any person acting in any capacity pursuant to provisions of the Act.

"Official order of finish" means the order of finish of the horses in a contest as declared official by the Stewards.

"Organization licensee" means any person desiring to conduct a race meeting in Oklahoma within the minimum standards as required by the Act and the rules of the Commission.

"Outstanding ticket" means a winning or refundable pari-mutuel ticket which was not cashed during the performance for which it was issued; also known as "Outs."

"Pari-mutuel system" means the manual, electro-mechanical or computerized system and all software (including the totalizator, account betting system and off-site betting equipment) that is used to record bets and transmit wagering data.

"Pari-mutuel wagering" means a form of wagering on the outcome of a contest in which all wagers are pooled and held by an organization licensee for distribution of the total amount, less the deductions authorized by law, to holders of tickets on the winning horses.

"Payout" means the amount of money payable to winning wagers.

"Performance" means a schedule of races run consecutively as one program.

"Post position" means the position in the starting gate assigned to the horse for the start of the race.

"Post time" means the scheduled time set for the arrival of the horses at the starting gate for the race.

"Profit" means the net pool after deduction of the amount bet on the winners.

"Profit split" means a division of profit among separate winning betting interests or winning betting combinations resulting in two or more payout prices.

"Program" means the published listing of all contests and contestants for a specific performance.

"Race" means a contest between horses.

"Race day" means a day during a race meeting when pari-mutuel wagering occurs on live races conducted at that racetrack.

"Restricted area" means any area within the enclosure where access is limited to licensees whose occupation requires access. Those areas which are restricted shall include but not be limited to the barn area, paddock, test barn, Stewards' tower, racecourse, mutuel line and money rooms, or any other area designated restricted by either the organization licensee or the Commission, or both. Signs giving notice of restricted access shall be prominently displayed at all entry points.

"Result" means that part of the official order of finish used to determine the pari-mutuel payout of pools for each individual contest.

"Rules" means the rules adopted by the Commission to implement the provisions of the Act.

"Scratch" means the act of withdrawing an entered horse from a contest after the closing of entries.

"Simulcast" means the live audio and visual transmission of a contest to another location for pari-mutuel wagering purposes.

"Simulcast day" means a day on which pari-mutuel wagering is conducted only on simulcast racing.

"Single price pool" means an equal distribution of profit to winning betting interests or winning betting combinations through a single payout price.

"Steward" means a duly appointed Racing Official with powers and duties specified by statutes or rules.

"Takeout" means the total amount of money, excluding breakage, withheld from each pari-mutuel pool, as authorized by statute or rule.

"Unclaimed ticket" means:

(A) a winning or refundable pari-mutuel ticket which was not cashed during the performance for which it was issued; or

(B) Proceeds which shall be remitted by the Organization Licensee to the Commission for deposit in the Oklahoma Breeding Development Fund Special Account in accordance with provisions of statute and as prescribed by the Commission.

"Unique Wager" means:

(A) The total amount wagered on one and only one winning combination selecting the first-place finisher in each of the pick (n) contests, based upon the official order of finish, is equal to the minimum allowable wager;

(B) There is more than one combination selecting the first-place finisher in each of the pick (n) contests equal to the minimum allowable wager and all winning combinations are on one ticket that has a unique serial number assigned by the tote company that issued the ticket and the multiple winning combinations is solely a result of a wagering interest being scratched and replaced with the post time favorite;

(C) There is more than one combination selecting the first-place finisher in each of the pick (n) contests equal to the minimum allowable wager and all winning combinations are on one ticket that has a unique serial number assigned by the tote company that issued the ticket and the multiple winning combinations is solely a result of a dead heat;

(D) There is more than one combination selecting the first-place finisher in each of the pick (n) contests equal to the minimum allowable wager and all winning combinations are on one ticket that has a unique serial number assigned by the tote company that issued the ticket and the multiple winning combinations is solely a result of a surface change after the pick (n) pool has closed and as a result the race is a "Win All"; or

(E) There is more than one combination selecting the first-place finisher in each of the pick (n) contests equal to the minimum allowable wager and all winning combinations are on one ticket that has a unique serial number assigned by the tote company that issued the ticket and the multiple winning combinations is solely a result of some combination of (2), (3), and (4) above.

"Winner" means the horse whose nose reaches the finish line first or is placed first as a result of a disqualification by the stewards.

"Year" means a calendar year.

325:65-9-7. Pick (n) Pools

(a) The Pick (n) requires selection of the first-place finisher in each of a designated number of contests. The Organization Licensee ~~must~~ shall obtain written approval from the Commission concerning the scheduling of Pick (n) contests, the designation of one (1) of the methods prescribed in (b) of this Section, and the amount of any cap to be set on the carryover. Any changes to the approved Pick (n) format require prior approval from the Commission.

(b) The Pick (n) pool shall be apportioned under one of the following methods:

(1) Method 1, Pick (n) with Carryover: The net Pick (n) pool and carryover, if any, shall be distributed as a single price pool to those who selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish. If there are no such wagers, then a designated percentage of the net pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests; and the remainder shall be added to the carryover.

(2) Method 2, Pick (n) with Minor Pool and Carryover: The major share of the net Pick (n) pool and the carryover, if any, shall be distributed to those who selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher of all Pick (n) contests, the minor share of the net Pick (n) pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests; and the major share shall be added to the carryover.

(3) Method 3, Pick (n) with No Minor Pool and No Carryover: The net Pick (n) pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests, based upon the ~~of-facial~~ official order of finish. If there are no winning wagers, the pool is refunded.

(4) Method 4, Pick (n) with Minor Pool and No Carryover: The major share of the net Pick (n) pool shall be distributed to those who selected the first place finisher in the greatest number of Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher in a second greatest number of Pick (n) contests, the minor share of the net Pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests. If the greatest number of first-place finishers selected is one (1), the major and minor shares are combined for distribution as a single price pool. If there are no winning wagers, the pool is refunded.

(5) Method 5, Pick (n) with Minor Pool and No Carryover: The major share of the net Pick (n) pool shall be distributed to those who selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the first-place finisher in the

second greatest number of Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher in all Pick (n) contests, the entire net Pick (n) pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests. If there are no wagers selecting the first-place finisher in a second greatest number of Pick (n) contests, the minor share of the net Pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the first-place finisher in each of the Pick (n) contests. If there are no winning wagers, the pool is refunded.

(6) Method 6, Pick (n) with Minor Pool, Jackpot Pool, Major Carryover and Jackpot Carryover: Predetermined percentages of the net Pick (n) pool shall be set aside as a Major pool, Minor pool and Jackpot pool. The Major share of the net Pick (n) pool and the Major carryover, if any, shall be distributed to those who selected the first place finisher of each of the Pick (n) contests, based on the official order of finish. If there are no tickets selecting the first-place finisher in each of the Pick (n) contests, the Major net pool shall be added to the Major carryover. If there is only one single ticket selecting the first-place finisher of each of the Pick (n) contests, based on the official order of finish, the Jackpot share of the net Pick (n) pool and the Jackpot carryover, if any, shall be distributed to the holder of that single ticket, along with the Major net pool and the Major carryover, if any. If more than one ticket selects the first-place finisher of each of the Pick (n) contests the Jackpot net pool shall be added to the Jackpot carryover. The Minor share of the net Pick (n) pool shall be distributed to those who selected the first-place finisher of the second greatest number of Pick (n) contests, based on the official order of finish. If there are no wagers selecting the first-place finisher of all Pick (n) contests, the Minor net pool of the Pick (n) pool shall be distributed as a single price pool to those who selected the first-place finisher of the greatest number of Pick (n) contests.

(7) Method 7, Pick (n) with No Minor Pool and Carryover: The net Pick (n) pool and carryover, if any, shall be distributed as a single price pool to those who selected the first-place finisher in each of the Pick (n) contests, based on the official order of finish. If there are no such wagers, the net Pick (n) pool shall be added to the carryover.

(8) Method 8, Pick (n) with Minor Pool and Carryover with Unique Wager: The entire Pick (n) pool and carryover, if any, shall be distributed to the holder of a unique wager selecting the first place finisher in each of the selected Pick (n) contests, based upon the official order of finish. If there is no unique wager selecting the first place finisher in all Pick (n) contests, the minor share of the Pick (n) pool shall be distributed as a single price pool to those who selected the first place finisher in the greatest number of Pick (n) contests; and the major share shall be added to the carryover. If the minor share cannot be distributed, the minor pool shall be combined with the major pool and added to the previous day's carryover. The entire pool plus carryover shall be carried forward to the next Pick (n) pool.

(c) If there is a dead heat for first in any of the Pick (n) contests involving:

(1) contestants representing the same betting interest, the Pick (n) pool, including unique wager, shall be distributed as if no dead heat occurred.

(2) contestants representing two or more betting interests, the Pick (n) pool, including unique wager, shall be distributed as a single price pool with each winning wager receiving an equal share of the profit.

(d) ~~Should~~ If a betting interest in any of the Pick (n) contests ~~be~~ is scratched, the actual favorite, as evidenced by total amounts wagered in the Win pool at the host Organization Licensee for the contest at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. ~~In the event that~~ If the Win pool total for two or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalisator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination.

(e) If any regularly scheduled turf race is moved to the main race course for any leg(s) of a Pick (n) wager and such change has not been known to the public before the close of wagering for the Pick (n), all wagers on such leg(s) affected by the surface change shall be considered winning wagers for the purpose of the Pick (n) pool.

(f) The Pick (n) pool shall be canceled, and all Pick (n) wagers for the individual performance shall be refunded if:

(1) all three contests included as part of a Pick 3 are canceled or declared "no contest."

(2) at least three contests included as part of a Pick 4, Pick 5 or Pick 6 are canceled or declared "no contest."

(3) at least four contests included as part of a Pick 7, Pick 8 or Pick 9 are canceled or declared "no contest."

(4) at least five contests included as part of a Pick 10 are canceled or declared "no contest."

(g) If at least one contest included as part of a Pick (n) is canceled or declared "no contest," but not more than the number specified in (e) of this Section, the net pool shall be distributed as a single price pool to those whose selection finished first in the greatest number of Pick (n) contests for that performance. Such distribution shall include the portion ordinarily retained for the Pick (n) carryover but not the carryover from previous performances.

(h) The Pick (n) carryover may be capped at a designated level approved by the Commission so that if, at the close of any performance, the amount in the Pick (n) carryover equals or exceeds the designated cap, the Pick (n) carryover will be frozen until it is won or distributed under other provisions of this Section. After the Pick (n) carryover is frozen, 100 percent of the net pool, part of which ordinarily would be added to the Pick (n) carryover, shall be distributed to those whose selection finished first in the greatest number of Pick (n) contests for that performance.

(i) A written request for permission to distribute the Pick (n) carryover on a specific performance may be submitted to the Commission. The request must contain justification for the distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution.

(j) ~~Should~~ If the Pick (n) carryover ~~be~~ is designated for distribution on a specified date and performance in which there are no wagers selecting the first-place finisher in each of the Pick (n) contests, the entire pool shall be distributed as a single price pool to those whose selection finished first in the greatest number of Pick (n) contests. The Pick (n) carryover shall be designated for distribution on a specified date and performance only under the following circumstances:

(1) Upon written approval from the Commission as provided in (h) of this Section.

(2) Upon written approval from the Commission when there is a change in the carryover cap, a change from one type of Pick (n) wagering to another, or when the Pick (n) is discontinued.

- (3) On the closing performance of the meet or split meet.
- (k) If, for any reason, the Pick (n) carryover ~~must~~ shall be held over to the corresponding Pick (n) pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the Commission. The Pick (n) carryover plus accrued interest shall then be added to the net Pick (n) pool of the following meet on a date and performance so designated by the Commission.
- (l) With the written approval of the Commission, the organization licensee may contribute to the Pick (n) carryover a sum of money up to the amount of any designated cap.
- (m) Providing information to any person regarding covered combinations, amounts wagered on specific combinations, number of tickets sold, or number of live tickets remaining is strictly prohibited. This shall not prohibit necessary communication between totalisator and pari-mutuel department employees for processing of pool data.
- (n) The organization licensee may suspend previously-approved Pick (n) wagering with the prior approval of the Commission. Any carryover shall be held until the suspended Pick (n) wagering is reinstated. An organization licensee may request approval of a Pick (n) wager or separate wagering pool for specific performances.
- (o) The following is an example of a net price calculation for a Pick 7 pool with multiple takeout rates and multiple betting sources [net price calculation]:
- (1) Source 1:
 - (A) Percent Takeout - 16%
 - (B) Gross Pool - \$190,000.00
 - (C) Gross Amt. Bet on Win - \$44.00
 - (D) Net Pool - \$159,600.00
 - (E) Net Amt. Bet on Win - \$36.96
 - (2) Source 2:
 - (A) Percent Takeout - 18.5%
 - (B) Gross Pool - \$10,000.00
 - (C) Gross Amt. Bet on Win - \$18.00
 - (D) Net Pool - \$8,150.00
 - (E) Net Amt. Bet on Win - \$14.67
 - (3) Source 3:
 - (A) Percent Takeout - 21%
 - (B) Gross Pool - \$525,730.00
 - (C) Gross Amt. Bet on Win - \$124.00
 - (D) Net Pool - \$415,326.70
 - (E) Net Amt. Bet on Win - \$97.96
 - (4) Totals of 3 Sources:
 - (A) Gross Pool - \$725,730.00
 - (B) Gross Amt. Bet on Win - \$186.00
 - (C) Net Pool - \$583,076.70
 - (D) Net Amt. Bet on Win - \$149.59
 - (5) Total Profit: Total Net Pool - Total Net Bet on the Winning Combination = \$ 582,927.11
 - (6) Profit Per Dollar: Total Profit/Total Net Bet on the Winning Combination = \$3,896.8321
 - (7) \$1 Unbroken Base Price: Profit Per Dollar + \$1 = \$3,897.8321

(8) \$1 Unbroken Price for Source 1: \$1 Unbroken Base Price x (1 - Percent Takeout) = \$3,274.1789

(9) \$1 Unbroken Price for Source 2: \$1 Unbroken Base Price x (1 - Percent Takeout) = \$3,176.7331

(10) \$1 Unbroken Price for Source 3: \$1 Unbroken Base Price x (1 - Percent Takeout) = \$3,079.2873