

OKLAHOMA GAMING COMPLIANCE UNIT

ANNUAL REPORT

FISCAL YEAR 2021



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EXECUTIVE SUMMARY

The State of Oklahoma collected over \$163 million in tribal gaming exclusivity fees in fiscal year 2021 under state-tribal gaming compacts. This is a 32% increase over the previous year.

Tribes paid the FY 2021 exclusivity fees based on over \$2.74 billion in revenue generated from Class III electronic games¹ and nonhouse-banked card games.

Though the COVID-19 pandemic caused gaming facilities to be opened at a reduced capacity throughout much of FY 2021, data included in this report shows exclusivity fee collections came in ahead of all previous years.

Since 2005, when tribes first began operating under voter-approved, state-tribal compacts, exclusivity payments have grown year-over-year with only two exceptions in FY 2014 and FY 2020.

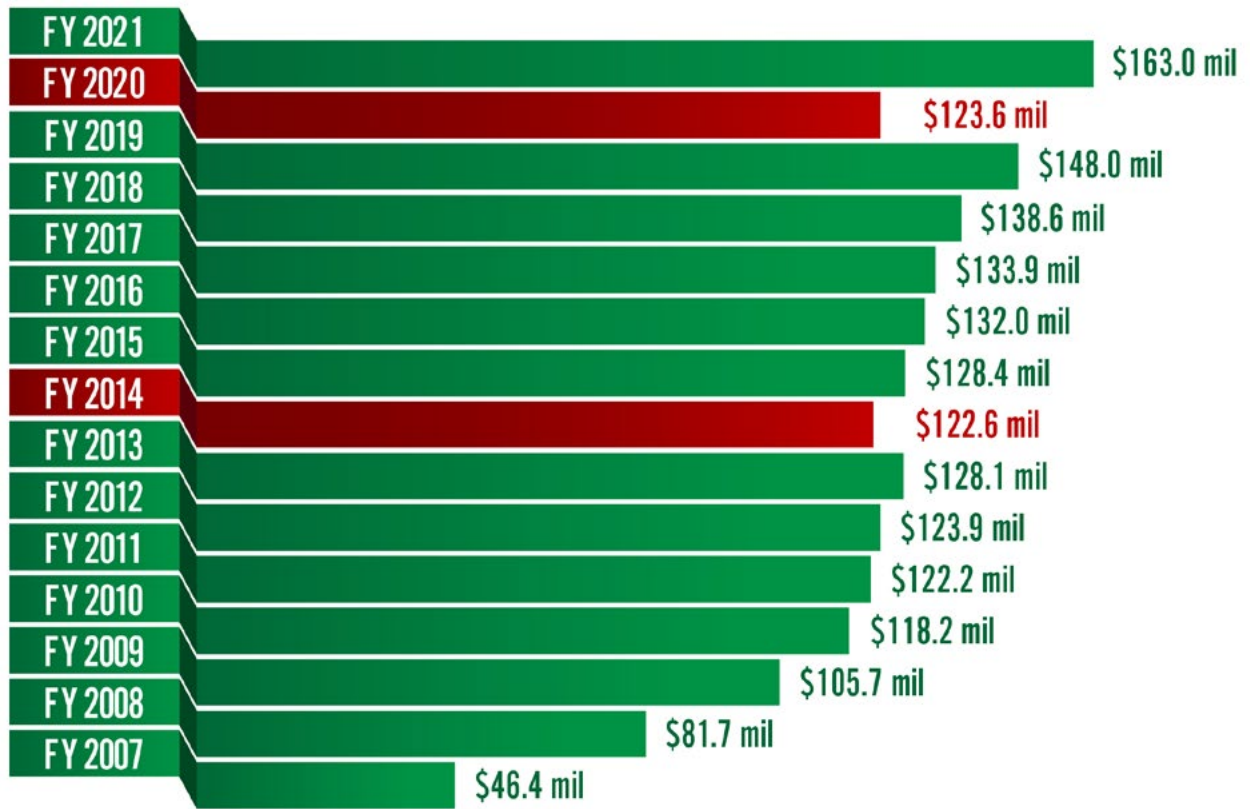
Under the compacts, tribes pay monthly exclusivity fees based on a sliding scale for Class III electronic games. Exclusivity fees are distributed to the Education Reform Revolving Fund (1017 Fund), the General Revenue Fund and the Department of Mental Health and Substance Abuse Services. In FY 2021, the 1017 Fund received \$143.2 million and the GRF received \$19.5 million. ODMHSAS statutorily receives a set \$250,000 annually from the exclusivity fees.

The compact also includes minimum state regulatory requirements on games, accounting and auditing standards, the licensing of employees, liability insurance, property claim procedures and several other provisions. The Gaming Compliance Unit of the Office of Management and Enterprise Services carries out the oversight responsibilities granted to the state under the compact.

¹The state-tribal gaming compact allows for the play of the following electronic games: bonanza-style bingo, instant bingo and amusement games.

TOTAL EXCLUSIVITY FEES

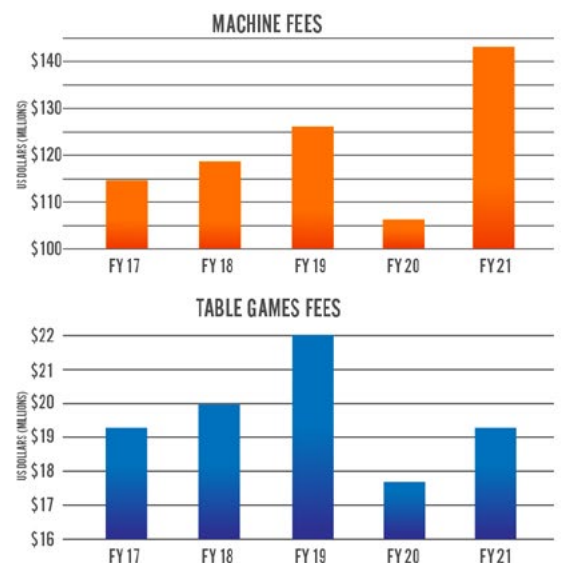
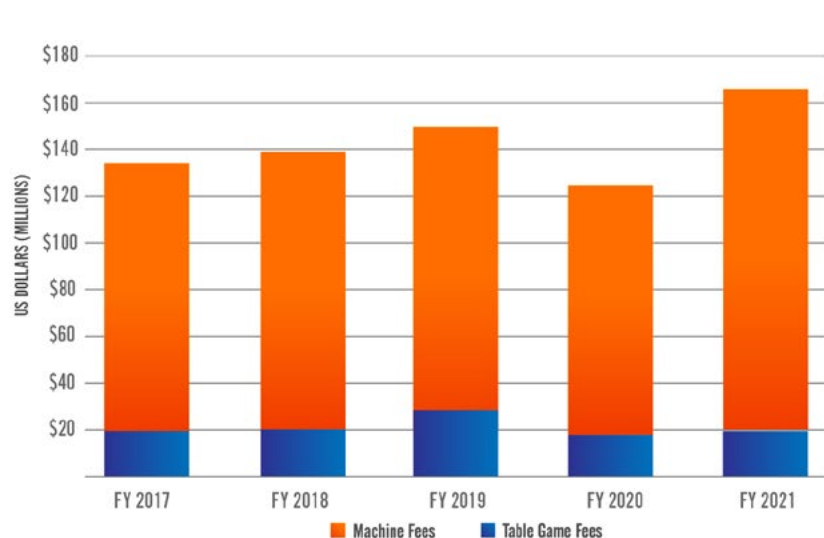
Exclusivity fee collections of \$162,966,372.66 came in at approximately 32% above in FY 2020. This is a significant increase, especially considering the pandemic.



ELECTRONIC AND TABLE GAME FEES

The payment from electronic games is typically much greater than the payment received from table games, and FY 2021 was no different.

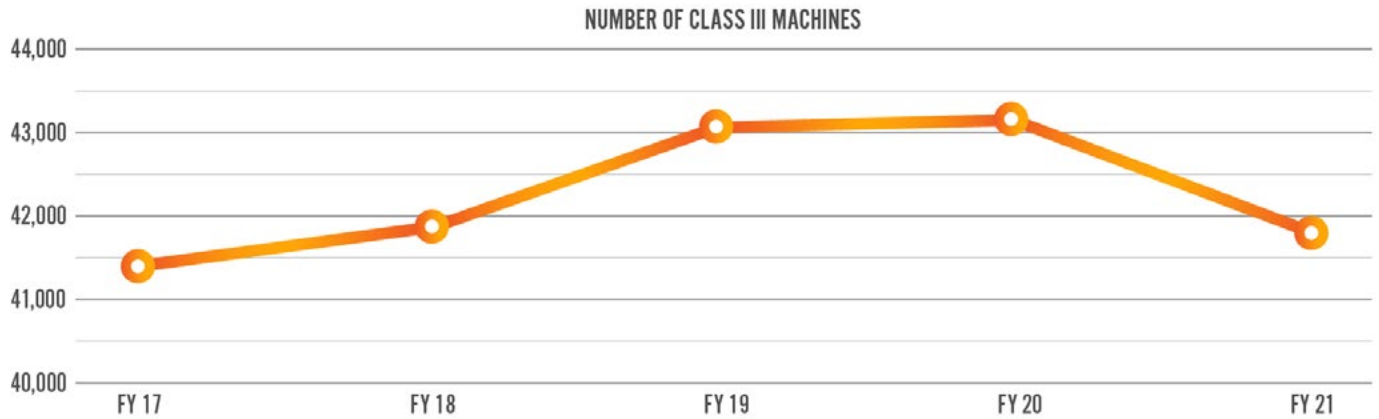
In FY 2021, tribes paid \$143,607,753.19 in electronic games fees, a \$37,707,639.58, or 36%, increase from the previous year. FY 2021 table games fees totaled \$19,358,619.47, a \$1,700,755.66, or 10%, increase from FY 2020.



CLASS III MACHINES

The number of Class III machines fell below the FY 2020 count.

In FY 2021, there was a monthly average of 41,891 Class III machines compared to 43,112 in FY 2020.



The growth of Class III machines was strong from 2005 to 2008, but weakened after the National Indian Gaming Commission withdrew restrictive Class II regulations in 2008. Class II machines declined from 2005 to 2008 but have grown substantially since 2009. The number of Class III machines has begun to decline, while figures available indicate Class II machines continue to grow at a faster pace as a percentage of total machines. The state collects exclusivity fees from Class III machines and nonhouse-banked card games but not Class II games.

STATE AND TRIBAL PORTIONS OF REVENUE

In FY 2021, tribal revenue from Class III games and table games was \$2,065,136,696.06, of which tribes paid \$162,966,372.66 to the state.

Under the state-tribal compact, tribes pay monthly exclusivity fees from Class III game revenues based on a sliding scale. For the first \$10 million in revenue, tribes pay 4% to the state; for the next \$10 million, the payment is 5%; and for revenues more than \$20 million, the payment is 6%. Tribes pay 10% of the monthly net win from table games.



WHERE DOES THE STATE MONEY GO?

As required by statute, the exclusivity fees go to the Education Reform Revolving Fund (1017 Fund), the General Revenue Fund and the Department of Mental Health and Substance Abuse Services. ODMHSAS receives \$250,000 annually. Of the remaining fees, the 1017 Fund receives 88% and the GRF receives 12%. The 1017 Fund received \$143,190,407.98 in FY 2021 compared to \$108,511,020.16 in FY 2020. The GRF received \$19,525,964.72 in FY 2021 compared to \$14,796,957 in FY 2020.

FEE DISTRIBUTION FY 2005–2021

■ EDUCATION REFORM REVOLVING FUND.....	\$1,609,517,935.12
■ GENERAL REVENUE FUND	\$219,479,718.42
■ DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES	\$4,104,166.01



Note: In the 2007 legislative session, Senate Bill 820 amended the 12 percent recipient from OHLAP to the GRF, effective for FY 2008. OHLAP funds began being directly allocated from the GRF as requested by Oklahoma State Regents for Higher Education and approved by the Board of Equalization.

EXCLUSIVITY FEES PAID BY TRIBES

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Absentee Shawnee Tribe of Oklahoma	\$631,280.00	\$628,058.00	\$570,962.29	\$508,367.00	\$574,048.00
Apache Tribe of Oklahoma	\$22,434.64	\$42,954.36	\$85,466.47	\$24,412.49	\$26,496.88
Caddo Nation of Oklahoma	\$42,669.36				\$0.00
Cherokee Nation	\$15,562,043.62	\$16,514,141.86	\$17,897,676.99	\$13,765,918.85	\$11,029,498.64
Cheyenne and Arapaho Tribes of Oklahoma	\$2,924,228.00	\$3,004,324.00	\$2,932,182.00	\$2,339,111.00	\$3,017,944.00
Chickasaw Nation	\$46,826,788.00	\$47,875,473.00	\$53,514,192.00	\$45,034,082.00	\$63,292,502.30
Choctaw Nation of Oklahoma	\$24,023,247.00	\$26,275,176.00	\$27,892,546.00	\$23,051,057.00	\$34,219,593.00
Citizen Potawatomi Nation	\$4,097,766.00	\$4,090,961.00	\$4,050,681.00	\$3,466,369.00	\$3,832,204.00
Comanche Nation	\$4,000,766.00	\$4,102,875.00	\$3,933,807.00	\$2,899,448.00	\$2,612,500.36
Delaware Nation	\$594,879.33	\$655,513.80	\$654,224.58	\$527,119.85	\$594,522.48
Eastern Shawnee Tribe of Oklahoma	\$2,497,944.00	\$2,172,231.00	\$2,330,258.00	\$2,075,977.00	\$2,993,238.00
Fort Sill Apache Tribe of Oklahoma	\$1,737,884.00	\$1,708,298.00	\$1,812,584.00	\$1,598,557.00	\$1,690,185.00
Iowa Tribe of Oklahoma	\$1,125,774.00	\$1,049,362.00	\$1,023,212.00	\$915,665.23	\$744,300.00
Kaw Nation	\$339,847.00	\$320,490.00	\$305,901.00	\$246,786.00	\$393,435.00
Kickapoo Tribe of Oklahoma	\$849,107.00	\$831,797.00	\$874,313.00	\$730,119.00	\$1,000,485.00
Kiowa Tribe of Oklahoma	\$1,613,213.00	\$1,852,864.00	\$2,143,164.00	\$1,735,093.00	\$1,845,983.00
Miami Tribe of Oklahoma	\$48,148.00	\$54,884.00	\$62,588.00	\$55,781.00	\$116,064.00
Modoc Tribe of Oklahoma	\$180,790.00	\$160,662.00	\$126,681.00	\$116,151.00	\$149,566.00
Muscogee (Creek) Nation	\$8,961,012.90	\$9,708,016.00	\$9,520,360.00	\$7,281,673.00	\$11,505,125.00
Osage Nation	\$5,585,285.00	\$5,882,479.00	\$6,357,276.00	\$5,952,222.00	\$8,866,994.00
Otoe-Missouria Tribe of Oklahoma	\$1,984,521.00	\$1,957,346.00	\$1,985,749.00	\$1,958,534.00	\$1,509,633.00
Ottawa Tribe of Oklahoma	\$164,975.00	\$142,046.00	\$137,163.00	\$125,860.00	\$357,486.00
Pawnee Nation of Oklahoma	\$282,921.00	\$307,928.00	\$290,529.00	\$235,461.00	\$186,117.00
Peoria Tribe of Indians of Oklahoma	\$1,007,939.00	\$839,688.00	\$825,762.00	\$720,163.00	\$1,061,392.00
Ponca Tribe of Oklahoma					\$106,465.00
Quapaw Tribe of Oklahoma	\$5,769,333.00	\$5,250,203.00	\$5,437,222.00	\$4,630,682.00	\$6,338,605.00
Sac and Fox Nation of Oklahoma	\$579,171.00	\$576,474.00	\$576,232.00	\$477,620.00	\$858,686.00
Seminole Nation of Oklahoma	\$420,524.00	\$444,781.78	\$444,823.00	\$359,996.00	\$361,317.00
Seneca-Cayuga Tribe of Oklahoma	\$350,656.00	\$322,716.00	\$317,026.00	\$295,285.00	\$295,917.00
Shawnee Tribe				\$616,087.00	\$977,087.00
Thlopthlocco Tribal Town	\$147,679.00	\$181,109.00	\$184,497.00	\$145,104.00	\$346,254.00
Tonkawa Tribe of Oklahoma	\$919,354.00	\$1,032,530.00	\$1,245,622.00	\$1,134,252.00	\$1,140,402.00
Wichita and Affiliated Tribes	\$354,624.00	\$326,159.00	\$385,147.00	\$286,891.00	\$389,073.00
Wyandotte Nation	\$293,624.00	\$286,879.00	\$303,772.00	\$248,133.00	\$533,254.00
TOTAL	\$133,940,427.85	\$138,598,419.80	\$148,221,619.33	\$123,557,977.42	\$162,966,372.66

Note: *Red* indicates a decrease and *Green* shows an increase compared to the previous year.

OKLAHOMA CASINO LISTING

At the end of fiscal year 2021, 33 tribes were operating 133 facilities offering Class III gaming related to the state-tribal gaming compacts.

TRIBE	CASINOS
Absentee Shawnee Tribe of Oklahoma	2
Apache Tribe of Oklahoma	1
Cherokee Nation	12
Cheyenne and Arapaho Tribes of Oklahoma	6
Chickasaw Nation	21
Choctaw Nation of Oklahoma	22
Citizen Potawatomi Nation	2
Comanche Nation	5
Delaware Nation	2
Eastern Shawnee Tribe of Oklahoma	2
Fort Sill Apache Tribe of Oklahoma	1
Iowa Tribe of Oklahoma	4
Kaw Nation	3
Kickapoo Tribe of Oklahoma	2
Kiowa Tribe of Oklahoma	3
Miami Tribe of Oklahoma	2
Modoc Tribe of Oklahoma	1
Muscogee (Creek) Nation	9
Osage Nation	7
Otoe-Missouria Tribe of Oklahoma	5
Ottawa Tribe of Oklahoma	1
Pawnee Nation of Oklahoma	3
Peoria Tribe of Indians of Oklahoma	1
Ponca Tribe	1
Quapaw Tribe of Oklahoma	2
Sac and Fox Nation of Oklahoma	2
Seminole Nation of Oklahoma	3
Seneca-Cayuga Tribe of Oklahoma	1
Shawnee Tribe	1
Thlopthlocco Tribal Town	1
Tonkawa Tribe of Oklahoma	3
Wichita and Affiliated Tribes	1
Wyandotte Nation	1

Note: As of 6/30/2021

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