

## **99F.7 Licenses terms and conditions revocation.**

1. If the commission is satisfied that this chapter and its rules adopted under this chapter applicable to licensees have been or will be complied with, the commission shall issue a license for a period of not more than three years to an applicant to own a gambling game operation, to an applicant to operate a gambling structure, and to an applicant to operate an excursion gambling boat. The commission shall decide which of the gambling games authorized under this chapter the commission will permit. The commission shall decide the number, location, and type of gambling structures and excursion gambling boats licensed under this chapter. The commission shall allow the operation of an excursion boat or moored barge on or within one thousand feet of the high water marks of the rivers, lakes, and reservoirs of this state as established by the commission in consultation with the United States army corps of engineers, the department of natural resources, or other appropriate regulatory agency. The license shall set forth, as applicable, the name of the licensee, the type of license granted, the location of the gambling structure or the place where the excursion gambling boats will operate and dock, and the time and number of days during the excursion season and the off season when gambling may be conducted by the licensee.

2. *a.* An applicant for a license to conduct gambling games on an excursion gambling boat, and each licensee by June 30 of each year thereafter, shall indicate and have noted on the license whether the applicant or licensee will operate a moored barge, an excursion boat that will cruise, or an excursion boat that will not cruise subject to the requirements of this subsection. If the applicant or licensee will operate a moored barge or an excursion boat that will not cruise, the requirements of this chapter concerning cruising shall not apply. If the applicant's or licensee's excursion boat will cruise, the applicant or licensee shall comply with the cruising requirements of this chapter and the commission shall not allow such a licensee to conduct gambling games on an excursion gambling boat while docked during the off season if the licensee does not operate gambling excursions for a minimum number of days during the excursion season. The commission may delay the commencement of the excursion season at the request of a licensee.

*b.* However, an applicant or licensee of an excursion gambling boat that is located in the same county as a racetrack enclosure conducting gambling games shall not be allowed to operate a moored barge unless either of the following applies:

(1) If the licensee is located in the same county as a racetrack enclosure conducting gambling games that had less than one hundred million dollars in adjusted gross receipts from gambling games for the fiscal year beginning July 1, 2003, the licensee of an excursion gambling boat is authorized to operate a moored barge if the licensee, the licensee of the racetrack enclosure, and all other licensees of an excursion gambling boat in that county file an agreement with the commission agreeing to the granting of a table games license under this chapter and permitting all licensees of an excursion gambling boat in the county to operate a moored barge as of a specific date.

(2) If the licensee is located in the same county as a racetrack enclosure conducting gambling games that had one hundred million dollars or more in adjusted gross receipts from gambling games for the fiscal year beginning July 1, 2003, the licensee of an excursion gambling boat is authorized to operate a moored barge the earlier of July 1, 2007, or the date any form of gambling games, as defined in this chapter, is operational in any state that is contiguous to the county where the licensee is located.

*c.* A person awarded a new license to conduct gambling games on an excursion gambling boat or gambling structure in the same county as another licensed excursion gambling boat or gambling structure shall only be licensed to operate an excursion gambling boat or gambling structure that is located at a similarly situated site and operated as a substantially similar facility as any other excursion gambling boat or gambling structure in the county.

3. A license shall only be granted to an applicant upon the express conditions that:

- a.* The applicant shall not, by a lease, contract, understanding, or arrangement of any kind, grant, assign, or turn over to a person the operation of an excursion gambling boat licensed under this section or of the system of wagering described in section 99F.9. This section does not prohibit a management contract approved by the commission.
- b.* The applicant shall not in any manner permit a person other than the licensee to have a share, percentage, or proportion of the money received for admissions to the excursion gambling boat.
4. The commission shall require, as a condition of granting a license, that an applicant to operate an excursion gambling boat develop and, as nearly as practicable, re-create boats or moored barges that resemble Iowa's riverboat history.
5. The commission shall require that an applicant utilize Iowa resources, goods and services in the operation of an excursion gambling boat. The commission shall develop standards to assure that a substantial amount of all resources and goods used in the operation of an excursion gambling boat emanate from and are made in Iowa and that a substantial amount of all services and entertainment are provided by Iowans.
6. The commission shall, as a condition of granting a license, require an applicant to provide written documentation that, on each excursion gambling boat:
- a.* An applicant shall make every effort to ensure that a substantial number of the staff and entertainers employed are residents of Iowa.
- b.* A section is reserved for promotion and sale of arts, crafts, and gifts native to and made in Iowa.
7. It is the intent of the general assembly that employees be paid at least twenty-five percent above the federal minimum wage level.
8. A license shall not be granted if there is substantial evidence that any of the following apply:
- a.* The applicant has been suspended from operating a game of chance or gambling operation in another jurisdiction by a board or commission of that jurisdiction.
- b.* The applicant has not demonstrated financial responsibility sufficient to meet adequately the requirements of the enterprise proposed.
- c.* The applicant is not the true owner of the enterprise proposed.
- d.* The applicant is not the sole owner, and other persons have ownership in the enterprise, which fact has not been disclosed.
- e.* The applicant is a corporation and ten percent of the stock of the corporation is subject to a contract or option to purchase at any time during the period for which the license is to be issued unless the contract or option was disclosed to the commission and the commission approved the sale or transfer during the period of the license.
- f.* The applicant has knowingly made a false statement of a material fact to the commission.
- g.* The applicant has failed to meet a monetary obligation in connection with an excursion gambling boat.
9. A license shall not be granted if there is substantial evidence that the applicant is not of good repute and moral character or if the applicant has pled guilty to, or has been convicted of, a felony.

10. *a.* A licensee shall not loan to any person money or any other thing of value for the purpose of permitting that person to wager on any game of chance.

*b.* A licensee shall not permit a financial institution, vendor, or other person to dispense cash or credit through an electronic or mechanical device including but not limited to a satellite terminal, as defined in section 527.2, that is located on the gaming floor.

*c.* When technologically available, a licensee shall ensure that a person may voluntarily bar the person's access to receive cash or credit from a financial institution, vendor, or other person through an electronic or mechanical device including but not limited to a satellite terminal as defined in section 527.2 that is located on the licensed premises.

11. *a.* A license to conduct gambling games on an excursion gambling boat in a county shall be issued only if the county electorate approves the conduct of the gambling games as provided in this subsection. The board of supervisors, upon receipt of a valid petition meeting the requirements of section 331.306, shall direct the commissioner of elections to submit to the registered voters of the county a proposition to approve or disapprove the conduct of gambling games on an excursion gambling boat in the county. The proposition shall be submitted at a general election or at a special election called for that purpose. To be submitted at a general election, the petition must be received by the board of supervisors at least five working days before the last day for candidates for county offices to file nomination papers for the general election pursuant to section 44.4. If a majority of the county voters voting on the proposition favor the conduct of gambling games, the commission may issue one or more licenses as provided in this chapter. If a majority of the county voters voting on the proposition do not favor the conduct of gambling games, a license to conduct gambling games in the county shall not be issued.

*b.* If licenses to conduct gambling games and to operate an excursion gambling boat are in effect pursuant to a referendum as set forth in this section and are subsequently disapproved by a referendum of the county electorate, the licenses issued by the commission after a referendum approving gambling games on excursion gambling boats shall remain valid and are subject to renewal for a total of nine years from the date of original issue unless the commission revokes a license at an earlier date as provided in this chapter.

*c.* If a licensee of a pari-mutuel racetrack who held a valid license issued under chapter 99D as of January 1, 1994, requests a license to operate gambling games as provided in this chapter, the board of supervisors of a county in which the licensee of a pari-mutuel racetrack requests a license to operate gambling games shall submit to the county electorate a proposition to approve or disapprove the operation of gambling games at pari-mutuel racetracks at a special election at the earliest practicable time. If the operation of gambling games at the pari-mutuel racetrack is not approved by a majority of the county electorate voting on the proposition at the election, the commission shall not issue a license to operate gambling games at the racetrack.

*d.* If the proposition to operate gambling games on an excursion gambling boat or at a racetrack enclosure is approved by a majority of the county electorate voting on the proposition, the board of supervisors shall submit the same proposition to the county electorate at the general election held in 2002 and, unless the operation of gambling games is terminated earlier as provided in this chapter or chapter 99D, at the general election held at each subsequent eight-year interval.

*e.* After a referendum has been held which defeated a proposal to conduct gambling games on excursion gambling boats or which defeated a proposal to conduct gambling games at a licensed pari-mutuel racetrack enclosure as provided in this section, another referendum on a proposal to conduct gambling games on an excursion gambling boat or at a licensed pari-mutuel racetrack shall not be held for at least eight years.

12. If a docking fee is charged by a city or a county, a licensee operating an excursion gambling boat shall pay the docking fee one year in advance.

13. A licensee shall not be delinquent in the payment of property taxes or other taxes or fees or in the payment of any other contractual obligation or debt due or owed to a city or county.

14. When applicable, an excursion gambling boat operated on inland waters of this state or an excursion boat that has been removed from navigation and is designated as a permanently moored vessel by the United States coast guard shall be subject to the exclusive jurisdiction of the department of natural resources and meet all of the requirements of chapter 462A and is further subject to an inspection of its sanitary facilities to protect the environment and water quality before a certificate of registration is issued by the department of natural resources or a license is issued or renewed under this chapter.

15. If a licensed excursion boat stops at more than one harbor and travels past a county without stopping at any port in that county, the commission shall require the excursion boat operator to develop a schedule for ports of call in which a county referendum has been approved, and the port of call has the necessary facilities to handle the boat. The commission may limit the schedule to only one port of call per county.

16. Upon a violation of any of the conditions listed in this section, the commission shall immediately revoke the license.

17. The commission shall require each licensee operating gambling games to post in conspicuous locations specified by the commission the average percentage payout from the gambling machines.

89 Acts, ch 67, §7; 89 Acts, ch 139, § 25; 92 Acts, ch 1203, §15, 16; 93 Acts, ch 143, §42; 94 Acts, ch 1021, §1618; 95 Acts, ch 49, §2; 95 Acts, ch 176, §4, 5; 2004 Acts, ch 1136, §4147, 65; 2004 Acts, ch 1175, §328; 2007 Acts, ch 188, §11, 12

2004 amendment to subsection 11, paragraph e, takes effect May 6, 2004, and applies retroactively to referendums held on or after January 1, 2002; 2004 Acts, ch 1136, §65