

4 without the invalid provisions or application, and to this end the
5 provisions of the Act are declared severable.

Approved June 30, 1965.

CHAPTER 441

LOTTERY DEFINED

S. F. 261

AN ACT to define a lottery.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section seven hundred twenty-six point eight (726.8),
2 Code 1962, is hereby amended by adding thereto the following:
3 "When used in this section, lottery shall mean any scheme, arrange-
4 ment, or plan whereby a prize is awarded by chance or any process
5 involving a substantial element of chance to a participant who has
6 paid or furnished a consideration for such chance."

1 SEC. 2. Chapter seven hundred twenty-six (726), Code 1962, is
2 hereby amended by adding thereto the following section:
3 "For the purpose of determining the existence of a lottery under
4 section seven hundred twenty-six point eight (726.8) of the Code, a
5 consideration shall be deemed to have been paid or furnished only in
6 such cases where as a direct or indirect requirement or condition of
7 obtaining a chance to win a prize, the participants are required to
8 make an expenditure of money or something of monetary value
9 through a purchase, payment of an entry or admission fee, or other
10 payment or the participants are required to make a substantial ex-
11 penditure of effort; provided, however, that no substantial expendi-
12 ture of effort shall be deemed to have been expended by any participant
13 solely by reason of the registration of the participant's name, address,
14 and related information, the obtaining of an entry blank or participa-
15 tion sheet, by permitting or taking part in a demonstration of any
16 article or commodity, by making a personal examination of posted lists
17 of prize winners, or by acts of a comparable nature, whether per-
18 formed or accomplished in person at any store, place of business, or
19 other designated location, through the mails, or by telephone; and
20 further provided, that no participant shall be required to be present
21 in person or by representative at any designated location at the time
22 of the determination of the winner of the prize, and that the winner
23 shall be notified either by the same method used to communicate the
24 offering of the prize or by regular mail."

Approved April 30, 1965.