

March 26, 1969
Passed on File
Iowa Development 3-26

SENATE FILE 566

By SULLIVAN, NICHOLSON,
FREY, BENDA, DENMAN,
THORSEN and REICHARDT
(Crabb, Corey, Knoblauch,
Bennett and Battles)

Passed Senate, Date..... Passed House, Date

Vote: Ayes Nays Vote: Ayes Nays

Approved

A BILL FOR

1 An Act to promote the further development of industry, tourism,
2 and agriculture through horse racing in Iowa: to create a
3 racing commission, to provide for control and regulation of
4 races and pari-mutuel wagering, and to appropriate funds for
5 this purpose.

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

7 Section 1. This Act shall be cited as the "Iowa Racing Act".

8 The object of this Act shall be to encourage, promote, and ad-
9 vance the interests of agriculture, including horse husbandry
10 and kindred and allied industries. The Act shall be deemed an
11 exercise of the police power of the state for the protection
12 of the welfare, health, peace, morals, and safety of the people
13 of the state, and all of its provisions shall be liberally con-
14 strued for the accomplishment of such objects and purposes. It
15 is declared to be public policy that wagering is so affected
16 with a public interest that it should be regulated to the extent
17 of prohibiting all wagering of every sort, except as provided
18 in this Act, through the medium of an Iowa racing commission
19 created by this Act, in which is vested sole and exclusive
20 authority to control and regulate pari-mutuel wagering on races
21 within the state and to control and regulate all races within
22 the state upon the results of which pari-mutuel wagering is
23 conducted.

24 Sec. 2. For the purpose of this Act, unless the context
25 otherwise requires:

- 1 1. "Commission" means the Iowa racing comimssion created
2 by this Act.
- 3 2. "Pari-mutuel wagering" means that system of wagering
4 in which persons placing wagers on the winners of a particular
5 race divide, in proportion to their wagers, the entire amount
6 wagered on that race, except for a percentage or portion re-
7 served by the agency conducting the wagering.
- 8 3. "Recognized racing association" means those national or
9 international associations which promulgate racing rules, and
10 which are extended recognition under this Act. Recognition is
11 hereby extended to the jockey club of America, the United States
12 trotting association, the American quarter horse association,
13 the appaloosa horse club, the paint horse association, and the
14 arabian horse racing association of America. The commission,
15 upon application and after hearing, may extend recognition to
16 other associations if it finds that the applicant association
17 has promulgated and does enforce adequate and satisfactory rules
18 for racing, and that recognition would be in the best interests
19 of racing in Iowa. The commission, upon application or upon
20 its own motion, after hearing, may withdraw recognition from
21 any association if it finds that the association fails to have
22 or fails to enforce adequate rules for racing, and that with-
23 drawal of recognition is in the best interest of racing in
24 Iowa.
- 25 4. "Track" means a facility adequate for the conduct of
26 racing under the racing rules of recognized racing associations,
27 which is owned and operated by:
- 28 a. An Iowa business corporation duly incorporated under the
29 provisions of chapter four hundred ninety-six A (496A) of the
30 Code, in which all officers and directors are, and are required
31 by its articles of incorporation to be, electors of the state
32 of Iowa.
- 33 b. The Iowa state fair board.
- 34 c. A society as defined in section one hundred seventy-
35 four point one (174.1), subsection two (2), of the Code.

1 5. "Race meet" means a program of horse racing, extend-
2 ing over a period of one or more days at a specific track.
3 comprised wholly of races conducted according to the rules of
4 recognized racing associations.

5 6. "Contract race meet" means a race meet, conducted
6 according to a contract between the commission and a track,
7 at which all racing is conducted under the control and regu-
8 lation of the commission, and at which pari-mutuel wagering
9 is conducted under the control and regulation of the commis-
10 sion.

11 7. "Breakage" means the aggregate amount by which the
12 amount payable to wagerers on each dollar wagered exceeds a
13 multiple of ten cents.

14 8. "Unclaimed money" means the aggregate amount by which
15 the amount payable to wagerers, after deduction of breakage,
16 exceeds the amount claimed by and paid to wagerers.

17 9. "Claimed money" means the aggregate amount claimed by
18 and paid to wagerers.

19 10. "Handle" means the aggregate amount wagered.

20 Sec. 3. There is hereby created a commission, composed of
21 six electors of this state, to be known and designated as the
22 Iowa racing commission. No more than four of the commission
23 members shall belong to the same political party and no more
24 than two shall, at the time of appointment, reside in the same
25 congressional district. The commission shall enforce the pro-
26 visions of this Act.

27 Sec. 4. The members of the first commission shall be ap-
28 pointed by the governor, with the approval of two-thirds of
29 the members of the senate, as follows:

- 30 1. One for a term to expire July 1, 1970.
- 31 2. One for a term to expire July 1, 1971.
- 32 3. One for a term to expire July 1, 1972.
- 33 4. One for a term to expire July 1, 1973.
- 34 5. One for a term to expire July 1, 1974.
- 35 6. One for a term to expire July 1, 1975.

1 Terms shall begin immediately upon appointment, approval,
2 and qualification.

3 Thereafter, the term of each member of the commission shall
4 be six years. The governor, within sixty days following the
5 organization of each regular session of the general assembly,
6 shall appoint, with the approval of two-thirds of the members
7 of the senate, a successor to the member of the commission
8 whose term of office will expire July first next following.

9 Sec. 5. Any vacancy on the commission which occurs when
10 the general assembly is not in session shall be filled by ap-
11 pointment by the governor, which appointment shall expire at
12 the end of thirty days following the organization of the next
13 general assembly. Prior to the expiration of the thirty-day
14 period, the governor shall transmit to the senate for approval
15 an appointment for the unexpired portion of the regular term.
16 Any vacancy occurring when the general assembly is in session
17 shall be filled before the end of such session, in the same
18 manner as regular appointments are made, and for the unexpired
19 portion of the regular term.

20 Sec. 6. Each commissioner shall post a bond, at the expense
21 of the racing fund, with such sureties as the executive council
22 approves, to guarantee to the state the proper handling and
23 accounting of moneys and other properties required in the ad-
24 ministration of this Act. It shall be the duty of the commis-
25 sion to secure from each agent, servant, and employee of the
26 commission, holding a position of trust, a bond with such
27 sureties as the commission approves, to guarantee to the state
28 the proper handling and accounting of moneys and other proper-
29 ties.

30 Sec. 7. The commission shall be organized as follows:

31 1. On July first of each year the commission shall select
32 one of its members as chairman, who shall serve in that capacity
33 for the succeeding year. Each member of the commission shall
34 receive a salary, payable from the racing fund, as fixed by
35 the general assembly.

1 2. The commission may employ a secretary and other assis-
2 tants and employees as reasonably necessary. Members of the
3 commission and its employees shall be exempt from the provi-
4 sions of chapter ninety-five (95), Acts of the Sixty-second
5 General Assembly.

6 Sec. 8. Members of the commission and each employee of the
7 commission, shall be allowed their actual and necessary ex-
8 penses while traveling on commission business outside of their
9 place of residence. However, an itemized account of expenses
10 shall be verified by the person making claim for payment, and
11 shall be approved by a majority of the members of the commis-
12 sion. If the account is paid, it shall be filed in the office
13 of the commission and remain a part of the commission's perma-
14 nent records. All expenses shall be payable from the racing
15 fund.

16 Sec. 9. Any member, secretary, officer, or employee of
17 the commission may be removed for any of the causes and in the
18 manner provided by chapter sixty-six (66) of the Code relating
19 to removal from office. Removal shall not be in lieu of any
20 other punishment prescribed by law.

21 Sec. 10. The commission, or any member of the commission,
22 shall not be personally liable in any action at law for dam-
23 ages sustained by any person because of any action by the com-
24 mission or any member of the commission, in the performance
25 of their duties in the administration of this Act.

26 Sec. 11. No member, officer, or employee of the commission,
27 while holding such office or position, shall hold any other
28 office or position under the laws of this state or of any other
29 state or of the United States, and shall not engage in any
30 occupation or business inconsistent or interfering with the
31 duties of such employment. No member, officer, or employee,
32 while holding office or position, shall serve on or under or
33 be a member of any committee of any political party. A member,
34 officer, or employee shall not, directly or indirectly, use
35 his influence to induce any other officer, employee, or elector

1 of this state to adopt his political views or to favor any
2 particular candidate for office. No member, officer, or
3 employee shall contribute in any manner, directly or in-
4 directly, any money or other thing of value to or for any
5 person or committee for campaign or election purposes.

6 Sec. 12. The principal place of business of the commis-
7 sion shall be at the seat of government.

8 Sec. 13. The duties of the commission shall be:

9 1. To enforce all provisions of this Act.

10 2. To extend recognition to or withdraw recognition from
11 racing associations as prescribed in section two (2), subsec-
12 tion three (3) of this Act.

13 3. To adopt and enforce regulations not inconsistent with
14 this Act:

15 a. For the implementation of any provision of this Act.

16 b. Governing the duties and responsibilities of its offi-
17 cers and employees and the conduct of its business, and pre-
18 scribing the qualifications to be possessed by persons desir-
19 ing employment by the commission or by the enforcement divi-
20 sion.

21 c. For the control and regulation of all pari-mutuel wager-
22 ing.

23 d. For the control and regulation of horse racing at con-
24 tract race meets by the adoption and enforcement, with respect
25 to each race, of the rules of racing of the recognized racing
26 association applicable thereto, and by the adoption and en-
27 forcement of such additional regulations as the commission may
28 deem necessary and desirable in the best interests of racing,
29 including provisions for the manner of designation of racing
30 officials.

31 e. To such extent, and on such terms and conditions, and
32 for such fee as the commission may deem necessary and desir-
33 able, to provide for the licensing by the commission of:
34 racing officials; track officials, employees, and concession-
35 aires; and owners of animals and the owners' agents and em-

1 ployees participating in any contract race meet.

2 f. To limit entry into any portion of the track where
3 horses are, or may be at any time during a contract race meet,
4 to persons having a valid license issued by the commission
5 permitting entry.

6 g. To impose upon any person licensed by the commission,
7 for any violation of this Act, or regulations of the commis-
8 sion, or of the applicable rules of racing of a recognized
9 racing association, a penalty of not to exceed one hundred
10 dollars, or suspension of license for any period of time and
11 upon such terms and conditions as the commission deems appro-
12 priate, or both fine and suspension, and to delegate to desig-
13 nated racing officials authority to impose such penalties.

14 h. To exclude from any track, during the period of a con-
15 tract race meet, any person whom the commission finds, upon
16 hearing after notice, to have violated this Act, any regula-
17 tion of the commission, or any similar law or regulation in
18 another jurisdiction.

19 4. To publish and distribute its regulations.

20 5. To engage and dismiss officers and employees as
21 necessary and desirable in the execution of its powers and
22 duties.

23 6. To purchase all supplies necessary to its functioning;
24 to acquire by purchase or lease other personal property nec-
25 essary and desirable; to acquire by lease real property nec-
26 essary for its operation; to provide for the storage, care,
27 and maintenance of any property; to insure its property in-
28 terests against loss; and to sell any property which it no
29 longer needs.

30 7. At its discretion, and upon finding that the terms and
31 conditions are in the best interests of horse racing, the com-
32 mission may enter into a contract with a track for the conduct
33 of a contract race meet. The contract, in addition to any
34 other provisions deemed desirable, shall include:

35 a. The dates and duration of the race meet, the specifi-

1 cation of each race to be conducted, and the recognized racing
2 association rules applicable. However, no contract race meet
3 shall be scheduled for or conducted on Sunday.

4 b. A schedule of all charges to be made by the track
5 for gate admission, seats, entry fees, ground fees, stable
6 charges, concessionaire rentals, and any services rendered by
7 the track.

8 c. A description of all facilities and services to be of-
9 fered by the track for the conduct of racing, care and mainte-
10 nance of animals, convenience of personnel attending animals,
11 and for the comfort and convenience of persons attending races.
12 Each track shall include adequate space and facilities, within
13 the enclosure to which admission is charged, for the conduct
14 and operation of pari-mutuel wagering. Such space for the
15 conduct of pari-mutuel wagering shall be clearly and completely
16 separated from the remainder of the enclosure to which admis-
17 sion is charged.

18 d. The agreement of the track to conduct all horse racing
19 in strict accordance with applicable commission regulations
20 and with the rules of racing of the recognized racing associa-
21 tion applicable thereto, and to pay purses as specified in the
22 various races.

23 e. The agreement of the track to conduct pari-mutuel wager-
24 ing in strict accordance with the provisions of this Act, with
25 all regulations of the commission, and with any additional pro-
26 visions contained in the contract.

27 f. Provision that an amount equal to ten percent of any
28 purse won by an Iowa-bred animal shall be paid by the track
29 to the breeder of the animal.

30 g. Provision that, on each racing day, there shall be one
31 race open only to Iowa-bred entries, except that if, for any
32 such race, there are insufficient entries, a race not so limited
33 may be substituted.

34 h. The details of any financial arrangements and agreements
35 between the commission and the track.

1 8. To enforce any contract for a contract race meet against
2 all parties affected.

3 Sec. 14. Contracts for contract race meets shall be subject
4 to the following limitations:

5 1. Subject to the further provisions of this subsection,
6 the commission shall not enter into contracts for contract race
7 meets with more than two tracks organized pursuant to section
8 two (2), subsection four (4), paragraph a of this Act. Upon
9 the expiration of two years after its entry into the second of
10 such contracts, the commission shall hold a public hearing
11 with respect to the propriety of the limitation placed on the
12 number of tracks by this paragraph. If, upon such hearing, or
13 later, the commission finds and determines that the best inter-
14 ests of racing will be served, it shall by resolution terminate
15 the limitation imposed in this paragraph.

16 2. Subject to the further provisions of this subsection,
17 the commission shall not enter into contracts for contract race
18 meets with more than two tracks organized pursuant to section
19 two (2), subsection four (4), paragraph c of this Act. Upon
20 the expiration of two years from and after its entry into the
21 second of such contracts, the commission shall hold a public
22 hearing with respect to the propriety of the limitation placed
23 on the number of tracks by this Act. If, upon such hearing,
24 or later, the commission finds and determines that the best
25 interest of racing will be served, it shall by resolution
26 terminate the limitation imposed in this paragraph.

27 Sec. 15. The commission shall be responsible for the en-
28 forcement of this Act, of any regulations promulgated by the
29 commission, and of any contract to which the commission is a
30 party. It may enforce the same in the name of the state in
31 proceedings before any court.

32 The department of public safety, the county attorney and
33 sheriff of every county, the police department of every city,
34 and the day and night marshal of any incorporated town, shall
35 be supplementary aids to such enforcement. Any neglect,

1 misfeasance, or malfeasance shown by any peace officer in-
2 cluded in this section will be sufficient cause for his re-
3 moval as provided for by the statutes of the state. Nothing
4 in this section shall be construed to remove or lessen the
5 duties or responsibilities of any county attorney or peace
6 officer with respect to law enforcement.

7 Sec. 16. No member, officer, or employee shall receive,
8 directly or indirectly, any profit from any contract race meet,
9 or from any track having a contract for a contract race meet.

10 Sec. 17. For the purpose of enabling the commission to
11 carry out the provisions of this Act, there is hereby created
12 in the office of the treasurer of state a fund to be known as
13 the racing fund. All moneys hereafter received by the commis-
14 sion from any source shall become a part of the fund.

15 1. There is hereby appropriated from the funds of the state
16 treasury not otherwise appropriated to the racing fund the sum
17 of one hundred thousand (100,000) dollars for the payment of
18 expenses as necessary to carry out the provisions of this Act.

19 2. Disbursements from the racing fund may be made by the
20 commission for all salaries or other compensation, expenses
21 or other obligations which may be incurred by the commission
22 pursuant to the Iowa Racing Act, including any obligation
23 assumed by the commission under a contract for a contract
24 race meet.

25 3. Immediately following December thirty-first of each
26 year, the state comptroller shall set aside from the racing
27 fund any amount by which the balance in the racing fund ex-
28 ceeds the aggregate of the following: one hundred thousand
29 dollars and the sum of any outstanding unpaid obligations of
30 the commission on December thirty-first.

31 4. From that sum set aside by the comptroller pursuant to
32 subsection three (3) of this section, the comptroller shall
33 make the following allocation and disposition:

34 a. To the state fair board for state aid to agricultural
35 societies, eighteen percent.

1 b. To the Iowa state fair board for the state fair, ten
2 percent.

3 c. To the Iowa horse and mule breeder's association, two
4 percent.

5 d. To the state fair board for the purpose of financing the
6 Iowa development and world food exposition, seventy percent.

7 Sec. 18. The provisions of this section shall govern
8 pari-mutuel wagering in this state.

9 1. Pari-mutuel wagering shall be conducted only:

10 a. By a track.

11 b. At a contract race meet.

12 c. Within a space which is clearly and completely sepa-
13 rated from the remainder of the enclosure to which admission
14 is charged.

15 d. Subject to the provisions of this Act, to all regula-
16 tions of the commission, and to the provisions of the contract
17 under which the contract race meet is held.

18 2. The handle shall be distributed as follows:

19 a. Claimed money plus unclaimed money plus breakage shall
20 equal not less than eighty-five percent of the handle.

21 b. Properly claimed money shall be paid to those persons
22 entitled thereto.

23 c. Unclaimed money, after reasonable time as the commission
24 prescribes, shall be paid to the commission.

25 d. Breakage shall be retained by the track.

26 e. With respect to the aggregate handle at any contract
27 race meet, the track shall pay to the commission four and one-
28 half percent.

29 f. The track shall retain the remaining handle.

30 Sec. 19. With respect to each contract race meet, the track
31 conducting the meet shall make a full and complete report to
32 the commission, in such form as the commission shall by regula-
33 tion prescribe, showing in detail the entries in and results
34 of each race scheduled, and accounting for every receipt and
35 disbursement of money in connection with the contract race meet.

1 Sec. 20. The commission shall make an annual report to the
2 governor and to the general assembly of the state for each
3 calendar year, showing fully the results of the operations of
4 the commission during the period since the last previous re-
5 port. The report shall show:

- 6 1. With respect to each contract race meet held:
 - 7 a. The place and inclusive dates of the meet.
 - 8 b. The number of races held at the meet, according to the
9 rules of each recognized racing association, and purses paid.
 - 10 c. The aggregate handle, breakage, unclaimed money, claimed
11 money, amounts of handle paid to the commission and amounts of
12 handle retained by the track.
 - 13 d. Any sums received by the commission from sources other
14 than handle.
 - 15 e. Any expenses or disbursements of the commission directly
16 attributable to the contract race meet.
 - 17 f. The net income to the commission.
- 18 2. With respect to the period covered by the report, the
19 totals, for all contract race meets held, of days of racing
20 and of paragraphs b, c, d, e, and f of subsection one (1) of
21 this section.
- 22 3. In reasonably itemized form all receipts by the commis-
23 sion from sources not included in subsections one (1) and two
24 (2) of this section and expenses and disbursements not in-
25 cluded in subsections one (1) and two (2) of this section.
- 26 4. The status of the racing fund at the close of the period,
27 including the balance therein and all dispositions made under
28 section seventeen (17) of this Act.

29 Sec. 21. This Act shall not impair or affect any act done;
30 offense committed; right accrued, secured, or acquired; or
31 penalty, forfeiture, or punishment incurred prior to the time
32 this Act take effect.

33 Sec. 22. The commission shall cause the financial condi-
34 tion, transactions, and accounts of each track conducting a
35 contract racing meet to be examined and audited immediately

1 following the close of the meet. The commission shall cause
2 the financial condition, transactions, and accounts of the
3 commission to be examined and audited as of December thirty-
4 first of each year, and at other times as requested by the
5 commission, the governor, or the executive council.

6 Sec. 23. Any member, officer, or employee of the commission
7 who knowingly or willfully violates any of the provisions of
8 this Act, or knowingly and willingly aids, assists, or permits
9 any violation, shall be guilty of a misdemeanor and be punish-
10 able by a fine of not to exceed one thousand dollars, nor less
11 than three hundred dollars, or by imprisonment in the county
12 jail for not less than three months or more than one year, or
13 by both fine and imprisonment.

14 Section seven hundred thirty-nine point two (739.2) of the
15 Code shall be applicable to the members, officers, and em-
16 ployees of the racing commission.

17 Sec. 24. No member, officer, or employee of the commis-
18 sion, by reason of the performance of any duty or act per-
19 mitted or required under this Act, shall be guilty of, or
20 called to account for, any crime cognizable under the laws
21 of this state. No person, by reason of making or receiving
22 a wager or claiming money in any pari-mutuel wagering con-
23 ducted pursuant to this Act, shall be guilty of, or called
24 to account for, any crime cognizable under the laws of this
25 state. However, any person who makes or receives a wager,
26 other than as provided in this Act, shall be guilty of vio-
27 lation of this Act.

28 Sec. 25. No person who has not attained the age of twenty-
29 one years shall be permitted to make a pari-mutuel wager at
30 any contract race meet.

31 Sec. 26. Any person, firm, or corporation who knowingly
32 violates any provision of this Act shall be punished, upon
33 conviction, by a fine of not more than one thousand dollars,
34 or by imprisonment in the county jail for not more than six
35 months, or by both fine and imprisonment. Any person, firm,

1 or corporation who knowingly violates any valid regulation
2 promulgated by the commission under this Act shall be punished,
3 upon conviction, by a fine of not more than one hundred dollars,
4 or by imprisonment in the county jail for not more than thirty
5 days, or by both fine and imprisonment.

6 Sec. 27. Any track which violates any provision of this
7 Act, any regulation of the commission, or any provision of a
8 contract under which it holds a contract race meet, in addition
9 to any other penalty to which it may be subject, may have its
10 corporate charter revoked in an action of quo warranto brought
11 in the name of the state by the attorney general.

EXPLANATION OF SENATE FILE 566

The proposed bill is to legalize pari-mutuel wagering with horse racing in Iowa and has these features:

1. Creates a Racing Commission of six appointed by the Governor with the consent of two-thirds of the Senate. The commission has the authority and duty to implement and enforce provisions of the bill, to control and regulate all horse racing in Iowa where pari-mutuel is permitted.

2. Permits only two tracks the first two years, then after two years of operation two more can be added after a public hearing if the commission deems it advisable.

3. Tracks can be operated by only Iowa business corporations, the Iowa State Fair or a District or County Fair.

4. Open to all breeds and forms of horse racing meeting the approved standards, 10 percent added to breeders of Iowa-Bred winners, and provides for one Iowa-Bred race daily at race meets.

5. Provides for strong enforcement and strong penalties for violations.

6. Provides for 85 percent of the gross handle going to the winning wagerers, 4½ percent to the state, and the balance to the track for purses, wages and salaries, repairs, construction, maintenance, and other expenses.

7. Prohibits pari-mutuel on Sunday.

SENATE CLIP SHEET

Wednesday, March 11, 1970

SENATE FILE 566

- 1 Amend Senate File 566 as follows:
- 2 1. Page 3, line 21, by striking the word "six" and inserting
- 3 in lieu thereof the word "three".
- 4 2. Page 3, line 22, by striking the word "four" and inserting
- 5 in lieu thereof the word "two".
- 6 3. Page 3, line 24, by striking the word "two" and inserting
- 7 in lieu thereof the word "one".
- 8 4. Page 3, by striking all of lines 30, 34, and 35, and re-
- 9 numbering the remaining subsections of section 4 accordingly.
- 10 5. Page 4, line 4, by striking the word "six" and inserting
- 11 in lieu thereof the word "three".
- 12 6. Page 4, line 4, by striking the word "sixty" and inserting
- 13 in lieu thereof the word "thirty".
- 14 7. Page 4, by inserting after line 29 the following new
- 15 section:
- 16 "Sec. 7. Two commissioners shall constitute a quorum,
- 17 with full power to act for the commission at any meeting,
- 18 provided adequate notice of the meeting was given each com-
- 19 missioner."
- 20 8. By renumbering sections 7 through 25, inclusive, in accor-
- 21 dance with the foregoing amendment.
- 22 9. Page 5, by striking all of line 29 after the words "United
- 23 States", all of line 30, and the words "duties of such employ-
- 24 ment." in line 31, and inserting in lieu thereof the following
- 25 sentence:
- 26 " , No person who has a financial interest in a racetrack
- 27 or racing association shall be eligible for appointment to or
- 28 employment by the commission."
- 29 10. Page 10, by striking lines 34 and 35, and redesignating
- 30 the succeeding paragraph accordingly.
- 31 11. Page 11, line 1, by striking the word "ten" and inserting
- 32 in lieu thereof the words "one-half of one".
- 33 12. Page 11, by striking all of lines 3 through 6, inclusive,
- 34 and inserting in lieu thereof the following new paragraph:
- 35 "b. The comptroller shall credit all money set aside by
- 36 him pursuant to subsection three (3) of this section, less that
- 37 portion designated for the Iowa state fair board by paragraph
- 38 a of this subsection, to the department of social services to
- 39 be used as necessary under this Act for public assistance
- 40 payments under the program for aid to dependent children,
- 41 old age assistance, aid to the blind, and aid to the disabled.
- 42 13. Page 11, line 20, by striking the words "eighty-five"
- 43 and inserting in lieu thereof the words "eighty-two".
- 44 14. Page 11, by striking all of line 25 and inserting in lieu
- 45 thereof the following:
- 46 "d. One-half of the breakage shall be retained by the

Senate 2

47 track and one-half of the breakage shall be paid to the commis-
48 sion."

49 15. Page 11, by striking from line 27 the word "four" and
50 inserting in lieu thereof the word "seven".

51 16. Page 13, lines 28 and 29, by striking the words "twenty-
52 one years" and inserting in lieu thereof the word "majority".

53 17. Page 13, by inserting after line 30 the following new
54 section and renumbering the succeeding sections accordingly:

55 "Sec. 27. No person shall discriminate between horse jock-
56 eys on the basis of the sex of the jockey, and qualified women
57 jockeys shall be permitted to ride in any horse race conducted
58 in accordance with the laws of this state. Any person violat-
59 ing the provisions of this section shall be guilty of a mis-
60 demeanor."

61 18. By adding thereto the following new sections:

62 "Sec. 30. The department of social services shall at
63 least annually review information relevant to the cost of
64 obtaining the necessary food, clothing, shelter, and other
65 goods and services deemed essential to the maintenance of a
66 minimum decent standard of living, available from state and
67 federal agencies and other sources, and shall on the basis of
68 such information determine the amount necessary to permit the
69 maintenance of a minimum decent standard of living under
70 current conditions in this state. The amount so determined
71 may vary among persons of differing age and sex, and among
72 various areas of the state, if such variations are made on a
73 rational and consistent basis. Each grant of assistance to
74 a recipient approved under chapters two hundred thirty-nine
75 (239), two hundred forty-one (241), two hundred forty-one A
76 (241.A), and two hundred forty-nine (249) of the Code shall be
77 fixed at the amount so determined for persons of the recipient's
78 age, sex, and place of actual residence but in no event less
79 than the amount to which the recipient was entitled, or would
80 have been entitled if he had been eligible for such grant, on
81 January 1, 1970, reduced by the amount of any income or other
82 resources available to or for the benefit of the recipient
83 which is not authorized to be disregarded for the purposes of
84 fixing such grant."

85 "Sec. 31. There is hereby appropriated, from any money in
86 the general fund not otherwise appropriated, to the department
87 of social services, in addition to any amounts otherwise
88 appropriated by law, such additional amount in each fiscal
89 year as may be necessary to enable the department to comply with
90 the requirements of section thirty (30) of this Act, and of
91 chapters two hundred thirty-nine (239), two hundred forty-one
92 (241), two hundred forty-one A (241A), and two hundred forty-
93 nine (249) of the Code, respecting the fixing and payment of
94 grants of assistance to recipients under these chapters. When
95 it is necessary pursuant to this section to allocate money from
96 the general fund to the department of social services, in addi-
97 tion to amounts specifically appropriated thereto, the state
98 comptroller shall notify the presiding officers of both houses

99 of the general assembly, immediately if it is in session when
100 such allocation becomes necessary, and otherwise upon the con-
101 vening of the next regular or special session thereafter."

102 "Sec. 32. Section two hundred thirty-nine point five
103 (239.5), Code 1966, as amended by chapter one hundred sixty-
104 four (164), sections two (2) and three (3), and chapter one
105 hundred sixty-five (165), section one (1), Acts of the Sixty-
106 third General Assembly, First Session, is hereby further amended
107 by striking lines twenty-eight (28) through fifty (50) and
108 amendments thereto and inserting in lieu thereof the following:

109 "The county board, in accordance with rules and standards
110 established by the department of social services, shall fix the
111 amount of assistance necessary to assure any dependent child,
112 or family, a minimum decent standard of living, as determined
113 pursuant to section thirty (30) of this Act. In determining
114 the amount of assistance to be paid, the county board shall take
115 into consideration the income and resources of any child or
116 relative claiming assistance under this chapter. However, in
117 fixing the amount of assistance for any child or family, the
118 county board, in accordance with rules established by the de-
119 partment of social services, may disregard a reasonable amount
120 of the income of the child or the family, in order to encourage
121 the family or any of its members to become self-supporting.
122 The term "income" as used herein means income remaining after
123 deduction of expenses reasonably attributable to the earning
124 or securing of that income. Assistance granted under this
125 chapter shall be paid from the fund for aid to dependent
126 children established by section two hundred thirty-nine point
127 twelve (239.12) of the Code, upon the order of the depart-
128 ment of social services. Notwithstanding any other statute,
129 no grant of assistance under this chapter shall be prorated
130 or in any other manner paid in an amount less than the
131 amount fixed by the county board in compliance with this
132 section. Assistance, when granted, shall be paid monthly to
133 a person eighteen years of age or older within the specified
134 degrees of relationship and with whom the child is living, ex-
135 cept that the county board may order the assistance payments
136 made to another individual who is interested in or concerned
137 with the welfare of the child or the person with whom the
138 child is living when it has been demonstrated that the person
139 with whom the child is living is unable to manage the assistance
140 payments in the best interest of the child. Such protective
141 payments shall not be made beyond one year and shall otherwise
142 conform to the regulations established under the provisions of
143 Title XLII, United States Code, sections six hundred one (601)
144 through six hundred forty-four (644), inclusive, as amended to
145 January 1, 1970.

146 The county board, under the supervision of the department
147 of social welfare, shall establish services to help families
148 and persons receiving assistance under this chapter to become
149 self-supporting; shall participate in the work and training
150 program established by chapter one hundred sixty-five (165),

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151 Acts of the Sixty-third General Assembly, First Session; and
152 shall cooperate with other public agencies and with private
153 agencies to obtain employment, education, and vocational
154 training for members of such families.’”

155 “Sec. 33. Section two hundred thirty-nine point six (239.6),
156 Code 1966, is hereby amended by adding thereto the following:

157 ‘Each grant shall be recomputed at least annually, in
158 accordance with the finding of the department of social services
159 regarding the amount necessary to permit maintenance of a
160 minimum decent standard of living, pursuant to section thirty
161 (30) of this Act.’”

162 “Sec. 34. Section two hundred thirty-nine point eleven
163 (239.11), Code 1966, is hereby amended by inserting after the
164 period in line seventeen (17) the following new sentence:

165 ‘However, no county shall at any time be required, on
166 account of assistance or benefits chargeable thereto under this
167 chapter, to pay a greater amount in any calendar quarter than
168 the greatest amount so paid by such county during any calendar
169 quarter in the fiscal year ending June 30, 1970.’”

170 “Sec. 35. Section two hundred forty-one point twelve
171 (241.12), Code 1966, is hereby amended by adding thereto the
172 following:

173 ‘Each grant shall be recomputed at least annually, in
174 accordance with the finding of the department of social services
175 regarding the amount necessary to permit maintenance of a mini-
176 mum decent standard of living, pursuant to section thirty (30)
177 of this Act.’”

178 “Sec. 36. Section two hundred forty-one point twenty
179 (241.20), Code 1966, is hereby amended by inserting after the
180 period in line seventeen (17) the following new sentence:

181 ‘However, no county shall at any time be required, on account
182 of assistance or benefits chargeable thereto under this chapter,
183 to pay a greater amount in any calendar quarter than the
184 greatest amount so paid by such county during any calendar
185 quarter in the fiscal year ending June 30, 1970.’”

186 “Sec. 37. Section two hundred forty-one A point three
187 (241A.3), Code 1966, as amended by chapter one hundred sixty-
188 five (165), section two (2), Acts of the Sixty-third General
189 Assembly, First Session, is hereby further amended as follows:

190 1. By striking from line three (3) the word ‘determined’
191 and inserting in lieu thereof the words ‘fixed at the amount
192 necessary to permit maintenance of a minimum decent standard
193 of living, as determined pursuant to section one (1) of this
194 Act.’

195 2. By adding thereto the following new sentences:

196 ‘Notwithstanding any other statute, no grant of assistance
197 under this chapter shall be prorated or in any other manner
198 paid in an amount less than the amount fixed by the county
199 board in compliance with this section. Each grant shall be
200 recomputed at least annually, in accordance with the finding
201 of the department of social services regarding the amount
202 necessary to permit maintenance of a minimum decent standard

203 of living, pursuant to section one (1) of this Act.'”

204 “Sec. 38. Section two hundred forty-one A point thirteen
205 (241A.13), Code 1966, is hereby amended by inserting after
206 the period in line seventeen (17) the following new sentence:

207 ‘However, no county shall at any time be required, on
208 account of assistance or benefits chargeable thereto under this
209 chapter, to pay a greater amount in any calendar quarter than
210 the greatest amount so paid by such county during any calendar
211 quarter in the fiscal year ending June 30, 1970.’”

212 “Sec. 39. Section two hundred forty-nine point fifteen
213 (249.15), Code 1966, is hereby amended by inserting in line
214 one (1) before the word ‘The’ the following new sentence:

215 ‘Each grant shall be recomputed at least annually, in
216 accordance with the finding of the department of social services
217 regarding the amount necessary to permit maintenance of a mini-
218 mum decent standard of living, pursuant to section thirty (30)
219 of this Act.’”

220 “Sec. 40. Chapter one hundred sixty-five (165), section
221 four (4), Acts of the Sixty-third General Assembly, First Ses-
222 sion, is hereby amended as follows:

223 1. By striking from line eleven (11) the words ‘provide
224 such person with a reasonable subsistence’ and inserting in lieu
225 thereof the words ‘permit maintenance by such person of a mini-
226 mum decent standard of living, as determined pursuant to section
227 thirty (30) of this Act’.

228 2. By inserting after the period in line fourteen (14)
229 the following new sentence:

230 ‘Notwithstanding any other statute, no grant of assistance
231 under this chapter shall be prorated or in any other manner
232 paid in an amount less than the amount fixed in compliance with
233 this section.’”

234 “Sec. 41. Chapter one hundred sixty-eight (168), section
235 one (1), Acts of the Sixty-third General Assembly, First Session,
236 is hereby amended by inserting in line sixteen (16) after the
237 word ‘fixed’ the words ‘at the amount necessary to permit
238 maintenance of a minimum decent standard of living, as determined
239 pursuant to section one (1) of this act.’”

240 19. Page 1, by inserting in line 5 after the word “purpose” the
241 words “; relating to the manner in which aid to dependent chil-
242 dren, blind assistance, aid to the disabled, and old age assis-
243 tance grants are fixed and paid, requiring that such grants
244 be sufficient to permit the maintenance of a minimum decent
245 standard of living, and providing an appropriation therefor.

Filed

March 10, 1970

By ORR

EXPLANATION OF AMENDMENT

The basic purpose of this amendment is to earmark most of the revenue obtained from legalized pari-mutual betting in Iowa for use in paying Old Age Assistance, Aid to the Blind, Aid to the Disabled, and Aid to Dependent Children grants at 100 percent of current minimum need.

Sections 1 through 17 of the amendment relate to administration of pari-

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mutuel betting and horse racing in Iowa. Higher net revenue to the state is sought through reducing the size of the Racing Commission from six to three members, in order to save costs, increasing the percentage of the total handle paid to the state, and requiring that the state receive half of the breakage. In addition, it is specifically provided that two commissioners shall constitute a quorum and may act for the Racing Commission, that no person with a financial interest in a racetrack or association may be a member of the Commission, and that Iowa racetracks shall not discriminate against women jockeys.

Section 18 of the amendment adds to the bill twelve new sections which require the Department of Social Services to determine the amount necessary to permit maintenance of a minimum decent standard of living, and to update this figure at least once a year to reflect current conditions. All Aid to Dependent Children, Blind Assistance, Aid to the Disabled, and Old Age Assistance grants must be computed so as to assure each recipient the amount necessary to maintain a minimum decent standard of living, taking into account such income or other resources as may be available to the recipient, and all grants must be paid at 100 percent of the amount so computed. In addition to the regular periodic appropriation for the categorical welfare programs, and earmarking of most of the revenue from legalized pari-mutuel betting, a "fall-back" open-end appropriation is authorized in order to assure that the Department of Social Services will be able at all times to pay all grants at 100 percent of the amount computed.

The statutes which now make counties responsible for one-half of the nonfederally funded portion of the cost of Aid to Dependent Children, Blind Assistance, and Aid to the Disabled grants are amended to provide that the costs thereby imposed on counties can never be greater than they were during the calendar quarter of fiscal 1970 in which such costs were highest for any given county.