

Judiciary 2/27

SENATE FILE 286

Judiciary
Willits, Chairperson
Scott
Ramsay

APR 28 1977

SENATE FILE 286

By HILL of Polk

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to unlawful gambling and lawful gambling
 2 as an exception thereto, gambling devices, providing
 3 a tax and for licensing, reporting, profits, penalties,
 4 suspension, revocation and injunction in connection
 5 with gambling.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 286

1 Section 1. Chapter seven hundred twenty-six (726), Code
2 1977, is amended by adding sections two (2) through seventeen
3 (17) of this Act.

4 Sec. 2. NEW SECTION. KEEPING GAMBLING HOUSES. If any
5 person keep a house, shop, or place resorted to for the pur-
6 pose of unlawful gambling, or permit or suffer any person
7 in any house, shop, or other place under his or her control
8 or care to gamble, except as hereinafter provided, such of-
9 fender shall be guilty of keeping a gambling house, an aggra-
10 vated misdemeanor.

11 Sec. 3. NEW SECTION. UNLAWFUL GAMBLING--PENALTY. If
12 any person play at any game in which he or she directly or
13 indirectly ventures or hazards any sum of money or other
14 property of value for an opportunity to win a prize or other
15 consideration, or make any bet or wager for money or other
16 property of value, except as hereinafter provided, the person
17 shall be guilty of an aggravated misdemeanor.

18 Sec. 4. NEW SECTION. LAWFUL GAMBLING. The games or acts
19 enumerated in this section shall be lawful as an exception
20 to unlawful gambling if played or performed in accordance
21 with the provisions of this Act.

22 1. FAIR, CARNIVAL, CHURCH AND SCHOOL GAMES. The follow-
23 ing games which have historically and customarily been played
24 at fairs, carnivals, churches or schools, shall be lawful
25 when the money or other consideration to play does not ex-
26 ceed one dollar per game, the value of the prize does not
27 exceed twenty-five dollars per game and the games are played
28 only between the hours of 9:00 a.m. and 12:00 midnight, and
29 in accordance with the limitations of this Act.

30 a. "Balloon dart", "darts" or "bow and arrow" games in
31 which the player attempts to break one or more balloons or
32 to hit a target by throwing a dart or other object or by
33 shooting an arrow.

34 b. "Baseball pitch" games in which the player attempts
35 to hit or knock off a target such as a stuffed animal, bottle

1 or other object by throwing a ball.

2 c. "Basketball shoot" games in which the player attempts
3 to throw a basketball or other ball or object through or into
4 a basket or hoop.

5 d. "Bingo", "lotto", "keno", "tic-tac-toe" or similar
6 games in which two or more players, each with a card or board
7 containing several rows with numbers or holes, attempt to
8 line up, punch out or cover a row of holes or numbers, with
9 corn, balls or markers, or by punching holes in the card,
10 as the numbers are called or chosen by some lottery device
11 or by throwing a ball on signal, and in which the winner is
12 the first person able to completely cover a row or other pat-
13 tern, horizontally, vertically, diagonally or in another
14 designated pattern, and to shout a designated exclamation.

15 e. "Cakewalk" or "musical chair" games in which several
16 players walk or run around chairs, cakes or prizes arranged
17 so that a winner or loser is determined by a system which
18 stops him or her in a place related or adjacent to the prize
19 or in a place where he or she is unable to find a chair in
20 which to sit.

21 f. "Dragline" or "golddigger" games in which the player
22 maneuvers a claw or dragline device to pick up various ob-
23 jects as prizes.

24 g. "Dunk 'em" games in which the player throws a ball
25 at a target, which if hit releases a suspended platform caus-
26 ing the person sitting on the platform to fall into a tank
27 of water.

28 h. "Fishbowl" games in which the player attempts to throw
29 a pingpong ball or a similar object into a fishbowl and, if
30 successful, wins the object located in the fishbowl.

31 i. "Fish pond" or "duck pond" games in which the player
32 angles for a wooden or plastic fish or duck, or some other
33 object.

34 j. "Fool the guesser" games in which a person attempts
35 to guess another's age or weight or to guess some other

1 physical fact such as the number of beans in a jar.

2 k. "Football throw" games in which the player attempts
3 to throw a football or other object to a target or through
4 the opening of a particular object which target or object
5 may be moving.

6 l. "High striker", "binger" or "hand striker" games in
7 which the player strikes a lever with a hammer or maul, or
8 with his or her fist or other object, propelling a sliding
9 weight up a track to ring a bell at the top.

10 m. "Hoop-la", "horseshoe" or "ring toss" games in which
11 the player attempts to pitch a horseshoe, ring or hoop onto,
12 around or over a wooden block, stake or peg device, bottle,
13 prize or other object.

14 n. "Huff and puff" balloon games in which two or more
15 contestants attempt to inflate a balloon to the breaking
16 point, regulating the air flow by directing a ball into a
17 fast or slow slot.

18 o. "Penny pitch", "bear pitch" or "glass pitch" games
19 in which the player attempts to pitch coins or objects into
20 or upon designated areas, marked spots, plates, dishes or
21 other objects.

22 p. "Shooting gallery" games in which the player uses a
23 gun in an attempt to hit a target or to shoot out a particu-
24 lar area of a target.

25 q. "Shooting waters" games in which two or more players
26 compete, each attempting to shoot water into a tube, forcing
27 a ball up and out of the tube.

28 2. TOURNAMENTS AND EXHIBITIONS. Athletic or sporting
29 contests, competitions, races or tournaments, or cooking,
30 hobby, livestock, animal, poultry, agricultural, vehicle or
31 machinery exhibitions, in which the players or participants
32 pay an entry fee or other consideration for the opportunity
33 to win a prize, reward or other compensation, shall be lawful
34 provided that no such event is allowed at any amusement park,
35 carnival, or on the midway of any fair. This subsection shall

1 not be deemed to include any of the games played at a fair,
2 carnival, church or school, as listed in subsection one (1)
3 of this section.

4 3. SMALL WAGERS. In any golf, bowling or billiards game,
5 tennis match, foot race or other human athletic contest or
6 competition involving muscular coordination, strength, speed,
7 physical stamina, endurance, agility, a keen eye or a steady
8 hand, or in any political contest, nomination or election,
9 amounts not to exceed ten dollars per event may be lawfully
10 wagered on the outcome provided:

11 a. The wager is between the players, participants, spec-
12 tators or other persons interested in the outcome, any or
13 all of whom may gain or lose the same amount from the wager,
14 and does not directly or indirectly involve any person, or
15 the employee of any person, required to have a gambling license
16 on the premises, or for the event, upon which the wager is
17 made, and

18 b. No player or participant may wager on any event at
19 which spectators must pay to watch the event, except in golf,
20 bowling and tennis tournaments the players may wager the above
21 limited amounts upon themselves, or the teams of which they
22 are members, to win.

23 An event is the entire match, contest, nomination or elec-
24 tion, including all sequences, phases or games thereof, which
25 are customarily played to complete the competition according
26 to the rules thereof on or within a given day. Ten dollars
27 per event, as used herein, shall mean that no person may wager
28 a total in excess of said sum on any single event, although
29 said sum wagered may be fragmented or placed upon any one
30 or more parts, movements, points or contestants of the event.

31 4. CARD AND PARLOR GAMES. Card and parlor games, includ-
32 ing but not limited to poker, pinochle, pitch, gin rummy,
33 bridge, euchre, hearts, cribbage, dominos, checkers, chess,
34 backgammon and darts, may be lawfully played for money or
35 other stakes except that no such games shall be permitted

1 at any amusement park, carnival or on the midway of any fair,
2 and no licensee nor his or her employee, may play in such
3 games on the licensed premises of the licensee, and provided:

4 a. It shall nevertheless be unlawful gambling for any
5 person to play any punchboard, slot machine, craps, chuck-
6 a-luck, roulette, klondike, black jack, chemin de fer,
7 baccarat, faro, equality, three card monte or any game except
8 poker which is customarily played in gambling casinos and
9 in which the house customarily provides a banker, dealer or
10 croupier to operate the game, or a specially designed table
11 upon which to play same.

12 b. In any game requiring a dealer, the players may choose
13 to take their turn at dealing in a regular order according
14 to the rules of the game.

15 c. Players may flip or match coins, cut cards, or roll
16 dice for a high or low number for a money sum no greater than
17 one dollar per flip, match, cut or roll, and may do so with
18 any gambling licensee, his or her employee, agent or servant
19 whether on or off the premises covered by a gambling license.

20 d. No player wins or loses more than a total of fifty
21 dollars or equivalent value in all games and activities per-
22 mitted by this section at any time during any period of twelve
23 consecutive hours, or over that entire period.

24 5. RAFFLES. "Lotteries", "raffles" or "drawings" in which
25 each of several or many participants provides money or other
26 things of value and receives a ticket, token, credit, program,
27 or other device with a number, symbol or name thereon, which
28 is placed in a receptacle and drawn by lot, or retained and
29 selected by some random method, machine or computer, for a
30 prize, shall be lawful provided:

31 a. The participant pays no more than one dollar there-
32 for, or receives the ticket or device as an incidental part
33 of the consideration provided for food, drink, service, de-
34 posit, property, attendance or activity, and

35 b. The value of the prize does not exceed twenty-five

1 dollars.

2 c. The fair board of any state, county or district fair
3 or agricultural society as defined in chapters one hundred
4 seventy-three (173) and one hundred seventy-four (174) of
5 the Code, may conduct not more than one raffle per calendar
6 year at which a prize or prizes of merchandise or other per-
7 sonal property, except money, may be awarded if the value
8 paid by the fair board therefor does not exceed five thou-
9 sand dollars, and the participant pays no more than five dol-
10 lars therefor, or receives the number or name incidentally,
11 as in paragraph a of this subsection.

12 d. Any bona fide nonprofit charitable, veteran's or fra-
13 ternal organization or corporation described in section eleven
14 (11), subsection two (2), of this Act may conduct not more
15 than one raffle per calendar year within the same limita-
16 tions as fairs under paragraph c of this subsection.

17 6. POOLS. Betting pools on the outcome of political or
18 athletic contests or tournaments, or other events except
19 races, shall be lawful provided no person wagers more than
20 ten dollars on any one event as defined in subsection three
21 (3) of this section, and no person receives any sum or thing
22 of value except as a participant on the same terms as other
23 participants.

24 No other gambling game, contest or event not specifically
25 excepted in this section and played or operated within the
26 conditions and limitations of this Act, may lawfully be played
27 for money or other thing of value. No system, doubling,
28 building-up or pyramiding of any wager, winnings or prizes,
29 on or in any gambling game, contest or event shall be lawful
30 except as necessary or permissible under the rules of the
31 card games, according to Hoyle, Scarne or other recognized
32 authority, and as provided in section seven (7), subsection
33 one (1), of this Act, pertaining to jackpot bingo.

34 Sec. 5. NEW SECTION. CHEATING. Every gambling game,
35 contest, or event played or operated for money or other thing

1 of value must be played or operated honestly, fairly and with-
2 out cheating. No concealed numbers or symbols and no conver-
3 sion charts, may be used to play any of said games, except
4 to the extent necessarily required by the rules in the card
5 and parlor games, dominos, lotteries, raffles and bingo games
6 described.

7 No game may be rigged with any control devices, levers,
8 rods, wires, hydraulic, pneumatic, electrical or mechanical
9 connections, which permit manipulation of the game by the
10 operator to prevent or reduce a player's chance of winning
11 or to predetermine who the winner will be. No special lights,
12 beams or substances, and no hidden mirrors, lenses, marked
13 cards or falsely loaded objects shall ever be used in any
14 of said games. No operator or player shall employ any device
15 or substance whatsoever, of any kind, calculated to give him
16 or her an advantage over any player. In every such game,
17 the goal, target or object of the game must be attainable.
18 It must be possible for any person permitted to play for money
19 to perform under the rules and to win. No goal or target
20 may be situated so that it cannot be achieved from the physical
21 location or position a player is required to assume, or with
22 the equipment the player must use. No prize shall be displayed
23 which cannot be won under the rules, and within the limits,
24 of this Act. A violation of this section shall be cheating,
25 an aggravated misdemeanor.

26 Sec. 6. NEW SECTION. CARNIVAL GAME RULES AND WELCHING.
27 Any person who conducts, manages or operates any of the fair,
28 carnival, church or school games listed in section four (4),
29 subsection one (1), paragraphs a to q, of this Act, shall
30 install in a place or places observable to any player of the
31 game a sign or signs at least thirty inches by thirty inches,
32 with permanent-type material and lettering, stating at the
33 top in printed letters at least three inches high: "Rules
34 of the Game". Thereunder there shall be set forth in large,
35 easily readable print, the name of the game, the price to

1 play the game, the complete rules for the game and the name
2 and permanent address of the owner of the game. No part of
3 any such sign shall be altered or covered over with tape,
4 paint or other substance, so as to allow the rules to be
5 easily changed from time to time. No person shall be pre-
6 vented or precluded from playing any game merely because of
7 his or her skill or success therein. A violation of this
8 section shall be welching, an aggravated misdemeanor.

9 This section shall not apply to such games when played
10 by churches, schools or parent-teacher associations on school
11 or church premises without the services or assistance of an
12 outside or independent lessor, carnival, amusement business
13 or contractor.

14 Sec. 7. NEW SECTION. PRIZES. Merchandise prizes only,
15 and no cash prizes, checks or instruments readily converted
16 to cash, shall be awarded by the operators, sponsors or pro-
17 moters, their employees, agents and subcontractors, in any
18 lawfully operated gambling game, contest or event for the
19 profit or fund raising purposes of any licensed person or
20 organization, except:

21 1. Cash or other prizes, or a combination thereof, may
22 be awarded in bingo games lawfully played at places other
23 than at carnivals or amusement parks or on the midway of any
24 fair, provided that the actual retail value of the prize or
25 prizes in any game does not exceed, in the aggregate, one
26 hundred dollars. In addition, one "jackpot" bingo game based
27 on a system of building, doubling or pyramiding, when there
28 are no winners after a fixed number of calls, or based on
29 covering every number on a card, shall be permitted once each
30 day in a licensed establishment provided the cost of play
31 per game does not increase and the actual retail value of
32 the prize or prizes does not exceed, in the aggregate, five
33 hundred dollars.

34 2. Cash or other prizes, or a combination thereof, may
35 be awarded without limit in any contest, race, tournament

1 or exhibition described in section four (4), subsection two
2 (2) of this Act provided that the percentage of total re-
3 ceipts from the entry fees to be returned to the participants
4 in prizes is publicly announced prior to the event and sub-
5 sequently reported to the Iowa department of revenue in the
6 reports required in this Act.

7 3. Cash or other prizes, or a combination thereof, not
8 exceeding the value of twenty-five dollars, may be awarded
9 in any lottery, raffle or drawing lawfully conducted at places
10 other than carnivals, amusement parks or on the midway of
11 any fair, except as otherwise provided in section four (4),
12 subsection five (5), paragraphs c and d, of this Act.

13 4. In "penny pitch", "bear pitch" and "glass pitch" games
14 described in section four (4), subsection one (1), paragraph
15 o, of this Act, wherever lawfully played, the prize may be
16 a coin or amount in cash equal to or greater than the coin
17 pitched.

18 Sec. 8. NEW SECTION. GAMBLING LICENSE NOT REQUIRED.
19 No gambling license shall be required of the following who
20 conduct, suffer, permit, play or participate in lawful gambling
21 as follows:

22 1. Any player or participant, himself or herself, who
23 receives no profit, remuneration or compensation, directly
24 or indirectly, from or related to his or her own play, par-
25 ticipation, bets or wagers, besides his or her winnings as
26 a player or participant on the same basis as other players
27 or participants, and who does not play or participate on
28 premises owned or rented by him or her, or his or her employees
29 or employers, except as provided in subsections five (5) and
30 six (6) of this section.

31 2. Any state, district, or county fair board or agricul-
32 tural society recognized under chapter one hundred seventy-
33 three (173) or one hundred seventy-four (174) of the Code
34 which employs or contracts with a licensed carnival or outdoor
35 amusement business as specified in section eleven (11), sub-

1 section four (4), of this Act.

2 3. Any bona fide public or private school or college,
3 library or historical society either recognized in or subject
4 to the regulations of chapters two hundred fifty-seven (257)
5 to three hundred three B (303B), inclusive, of the Code, or
6 any bona fide parent-teacher's association of such a public
7 or private school.

8 4. Any county, city, or any bona fide municipal chamber
9 of commerce which employs or contracts with a licensed carnival
10 or outdoor amusement business specified in section eleven
11 (11), subsection four (4), of this Act or a lessor or
12 independent contractor as specified in section eleven (11),
13 subsection six (6), of this Act.

14 5. Any person in his or her private home, apartment or
15 living quarters, provided there is no direct access through
16 any door, entranceway, stairway or window, whether or not
17 locked, bolted or barred, connecting said dwelling to the
18 licensed premises of any beer or liquor licensee, or to the
19 licensed premises of a gambling licensee, but this exclusion
20 from licensing requirements shall not apply if two or more
21 persons in addition to the immediate residents and tenants
22 thereof are permitted to use said dwelling for gambling more
23 frequently than during six days of each month.

24 6. Any person, firm or corporation for an occasional bet-
25 ting pool between personnel, employers, employees, or patrons
26 of any business or organization on the premises thereof, con-
27 ducted as described in and subject to the limitations of
28 section four (4), subsection six (6), of this Act, provided
29 that the entire pool is distributed to the winners.

30 7. Any service club or other group which meets regularly
31 or occasionally, but not more often than six times per cal-
32 endar month, for breakfast, lunch, supper or dinner and which
33 conducts a lottery, raffle or drawing as described in and
34 subject to the limitations of section four (4), subsection
35 five (5), of this Act, and provided that all money paid to

1 enter is distributed to the winners.

2 8. Any organization or association which conducts, not
3 more frequently than once each calendar year, a "Las Vegas"
4 or fun night starting after 7:00 p.m., using "toy money" or
5 tokens for which no player or participant is permitted to
6 venture, hazard or pay money or other consideration to a value
7 totaling in excess of five dollars, during the entire evening,
8 provided that all money paid by all participants to play is
9 reconverted to cash and distributed to the winning players
10 by midnight. In such "Las Vegas" or fun nights, there shall
11 be no limit upon the amount any player can win.

12 Sec. 9. NEW SECTION. GAMBLING LICENSE REQUIRED. Any
13 person, firm, corporation or organization not excluded under
14 section eight (8) of this Act must acquire a gambling license
15 in order to operate, conduct, or knowingly suffer or permit
16 lawful gambling on premises owned or rented by such person,
17 firm, corporation or organization.

18 Except as hereinafter provided, the department of revenue
19 shall issue the license for a fee of fifteen dollars, and
20 for one year, to any applicant of good moral character and
21 reputation. A gambling license heretofore issued pursuant
22 to Acts of the Sixty-sixth General Assembly, 1975 Session,
23 chapter ninety-nine (99), shall remain in effect until one
24 year from the date it was issued, unless suspended or revoked
25 for cause, and no new license shall be required for the single
26 premises where it is used until it has expired. If such
27 existing license is used for or on multiple premises, however,
28 the licensee must elect and designate to the department of
29 revenue the single premises on which it is to be used.

30 A gambling license must be acquired for each separate
31 building, business or premises in or upon which any person,
32 firm or corporation required to be licensed operates, con-
33 ducts, suffers or permits lawful gambling. Said license shall
34 not be transferable, sold, assigned or used by any other
35 person, firm or corporation but it shall cover the agents,

1 servants, landlords, tenants, employees and employers of the
2 licensee on the licensed premises. Any person, organization
3 or independent contractor in the business of leasing, renting
4 or operating lawful gambling games to or for another, must
5 acquire a license for each premises upon which such are leased,
6 rented or operated, whether the other is required to be li-
7 censed or not.

8 To acquire a license, an application blank on an affidavit
9 form prescribed by the department of revenue must be filed
10 with or mailed to the department of revenue, gambling license
11 division, together with the fee, and must show under oath
12 and penalty of perjury such information as the department
13 requires, including the full name, age, sex, address, tele-
14 phone number, permanent residence and signature of the appli-
15 cant and all partners, officers and business associates who
16 will share responsibility for the license with the applicant,
17 all of whom shall hereinafter be referred to as the applicant.
18 If the license is not to be issued in the applicant's name,
19 applicant must request that the license be issued in the name
20 of a company, organization, partnership or corporation of
21 which applicant is an owner, manager, partner or officer
22 authorized to make the application.

23 No license shall be issued to a corporation unless it is
24 duly authorized to do business in Iowa. Applicant must show
25 the location and a description of the premises to be licensed,
26 and the mailing address thereof. If the premises are leased
27 or rented from another, applicant must show the name and ad-
28 dress of the owner and whether the owner has a gambling li-
29 cense for the premises.

30 Applicant must state whether he or she has ever been con-
31 victed of a felony or a gambling violation and, to the best
32 of his or her knowledge, whether any of his or her partners,
33 business associates, landlords or employees connected with
34 the premises to be licensed have been so convicted; and fur-
35 nish a summary of the known facts pertaining to the convic-

1 tions, including the name of the crime and date and place
2 of conviction.

3 Applicant must state the purpose for which the license
4 is sought and the kind and quantity of gambling which is ex-
5 pected to be conducted, suffered or permitted; the day or
6 days of each week or month and the hours when it is expected
7 to be conducted. Applicant must state whether he or she,
8 his or her firm, organization, partnership or corporation,
9 or the premises for which the gambling license is to be issued,
10 is licensed for the sale of liquor or beer upon the same
11 premises and, if so, the name and address of the licensee.
12 If applicant has ever been refused, or had suspended or
13 revoked, a gambling, beer or liquor permit in Iowa or any
14 other state, he or she must so state and set forth the dates,
15 places and reasons therefor.

16 Applicant must state that he or she is familiar with the
17 gambling laws of Iowa and agrees that no moneys or other
18 things of value will be unlawfully received, expended or used
19 therefrom, either directly or indirectly. If applicant is
20 a nonresident the secretary of state must be designated by
21 applicant as agent for the service of notice and process.

22 No gambling license shall be issued to any applicant who
23 does not fully and honestly complete the application form;
24 who has ever been convicted of a felony unless he or she has
25 been fully pardoned; whose Iowa gambling license issued or
26 renewed after June 1, 1978, is under suspension or revocation;
27 or who would be unable to qualify for a beer or liquor permit
28 under the requirements of chapter one hundred twenty-three
29 (123) of the Code.

30 Once a gambling license has been issued to a licensee,
31 it may be renewed annually upon payment of the fifteen dol-
32 lar fee and upon filing a renewal application, in affidavit
33 form prescribed by the department of revenue, and showing
34 all or any of the foregoing information as the department
35 may require. Said renewal application must be signed under

1 oath and subject to penalty of perjury by such of the orig-
2 inal applicants or partners as the department may require.

3 Sec. 10. NEW SECTION. PROFITS PROHIBITED. Except as
4 provided in section four (4), subsection two (2), of this
5 Act, with reference to tournaments and exhibitions, etc.,
6 and in section four (4), subsection four (4), paragraph c,
7 of this Act, with reference to flipping, matching, etc., and
8 except as provided in section eleven (11) of this Act, no
9 gambling licensee, nor the agents, employees or contractors
10 of such, may charge any cover charge or admission for, accept
11 any tip or gratuity from, play or participate in, or take
12 any drag, percentage or cut out of, any gambling game, pot,
13 pool or wager, conducted, ventured or staked on a licensee's
14 licensed premises, or otherwise directly profit from such
15 as an operator, dealer, banker, shill, waiter, servant or
16 in any other capacity whatsoever. Nor may any player or
17 participant do any of the foregoing things, or make any special
18 profit, prohibited to a gambling licensee except play,
19 participate and win or lose on the same basis as any other
20 participant or player.

21 No gambling licensee, nor the agents, employees or con-
22 tractors of such may receive, directly or indirectly, any
23 profit whatsoever from the sale or rental of cards, chips,
24 numbers, tokens or gambling paraphernalia, or rent from pri-
25 vate rooms for gambling purposes, all of which if furnished
26 by the gambling licensee must be furnished at the same cost
27 to the players as to the licensee. A fair and reasonable
28 charge may nevertheless be assessed the players for the use
29 of any billiards or pool tables, bowling alleys, golf courses,
30 tennis courts, shuffle boards, ping pong tables, lawful pin
31 ball machines, or other devices or services not essentially
32 of a gambling nature, if the charge is the same whether such
33 are used by the players for gambling purposes or not. Nothing
34 herein shall prevent the licensee from indirect profits re-
35 sulting from the sale of additional food, beverages or other

1 legally salcable merchandise not directly connected to gam-
2 bling, which might not be sold but for said gambling.

3 Sec. 11. NEW SECTION. PROFITS ALLOWED. In addition to
4 the ordinary winnings allowed to players and participants
5 from lawful gambling, the following persons and organizations
6 may directly profit or raise funds from conducting, suffer-
7 ing or permitting those fair, carnival, church and school
8 games, including bingo, enumerated in section four (4), sub-
9 section one (1), of this Act:

10 1. Any state, district or county fair board or agricul-
11 tural society, school, parent-teacher association, college,
12 library, historical society, county, city, or municipal chamber
13 of commerce specified in section eight (8), subsections two
14 (2), three (3) and four (4), of this Act.

15 2. Any bona fide nonprofit charitable, bona fide nation-
16 ally chartered fraternal or military veterans' corporation
17 or organization which was in existence and operating a club-
18 room, post, dining room or dance hall before January, 1977,
19 as long as it continues to operate such and has a valid gam-
20 bling license for the premises on which the gambling is con-
21 ducted.

22 3. Any bona fide religious or apostolic organization which
23 maintains an established office or place of worship in this
24 state, and which has a valid gambling license for the premises
25 on which the gambling is conducted.

26 4. Any bona fide organized traveling carnival or out-
27 door amusement business maintaining no fewer than five rides
28 and operating under written contract with any organization
29 listed in subsection one (1), two (2) or three (3) of this
30 section, provided said carnival or business has a valid gam-
31 bling license for each location and operates at no one loca-
32 tion in this state for more than ten days each year.

33 5. Any permanently located and bona fide amusement park
34 which maintains no fewer than five rides and which has a valid
35 gambling license.

1 6. Any person, firm, or corporation in the business of
2 renting, leasing or operating lawful gambling games or equip-
3 ment, as a lessor or independent contractor, to or upon the
4 premises of another, and who acquires a license for those
5 premises whether the person employing him or her is licensed
6 or not.

7 Any person, firm or corporation, except carnivals, out-
8 door amusement businesses and amusement parks, licensed to
9 gamble in this state may conduct for profit or fund-raising
10 purposes any of the contests, competitions, races, tourna-
11 ments or exhibitions lawful under section four (4), subsec-
12 tion two (2), of this Act, by charging an entry fee to players
13 or participants, or an admission fee to spectators, or both.

14 Any organization listed in subsections one (1), two (2)
15 and three (3) of this section may conduct for profit or fund-
16 raising purposes any of the raffles, lotteries or drawings
17 described in section four (4), subsection five (5), of this
18 Act, but subject to the limitations therein contained.

19 Sec. 12. NEW SECTION. ADDITIONAL PROHIBITIONS. A per-
20 son or organization not enumerated in section eleven (11)
21 of this Act shall not operate, conduct, suffer or permit any
22 bingo or other fair, church, carnival or school games enumer-
23 ated in section four (4), subsection one (1), of this Act,
24 or any raffles, lotteries or drawings described in section
25 four (4), subsection five (5), of this Act, whether or not
26 for profit or fund-raising purposes, on any licensed premises.

27 Sec. 13. NEW SECTION. REPORTING GAMBLING PROFITS. All
28 persons, firms or corporations licensed to gamble in this
29 state must, on or before July fifteenth following the date
30 of issuance of any gambling license, file with the department
31 of revenue, gambling license division, a gambling profit re-
32 turn for each separate gambling license issued to the licensee.
33 The return shall cover the period from the date of issuance
34 of the license to and including May thirty-first following
35 its issuance and any period not previously reported during

1 which a gambling license was in effect for the premises, and
2 shall state the period or periods covered. Said return shall
3 be typed or legibly printed on a form prescribed by said
4 department, signed by the licensee and all partners thereof,
5 or by the duly authorized officer of a licensed corporation,
6 under oath and subject to the penalty of perjury. It must
7 show the name of the corporation or the name or names and
8 addresses of all persons to whom the license was issued, the
9 date the license was issued, the license number issued by
10 the department, the address, location or premises for which
11 the license was issued and the license numbers of any other
12 licenses issued to the same licensee for other premises.
13 The return shall report the gross receipts directly
14 attributable to any gambling on the licensed premises since
15 the date of its issuance, including all entry and admission
16 fees, an itemization of deductions claimed from said gross
17 receipts, including the amounts distributed to employers,
18 landlords or others, their names and addresses, and the net
19 profit, income or funds raised. If there are no gross
20 receipts, or no deductions, or if there is no net income,
21 or if there is a net loss, the licensee must nevertheless
22 file the return for the license and state the facts and amounts
23 pertaining thereto.

24 The name and address of every winner, and the amount of
25 the winnings, of every contest, competition, race, tourna-
26 ment, or exhibition described in section four (4), subsec-
27 tion two (2), of this Act, or any pool described in section
28 four (4), subsection six (6), of this Act, which is conducted
29 by a gambling licensee or his or her agent on the licensee's
30 licensed premises, must be reported.

31 The return shall report each date on which gambling was
32 conducted for profit or fund-raising purposes on the licensed
33 premises during the period or periods reported, the total
34 cost to the licensee of all prizes, if any, and what part
35 thereof was cash, awarded to winners on each of said dates,

1 and all such other and further information as the department
2 of revenue may require; except that profits from flipping,
3 matching, etc., under section four (4), subsection four (4),
4 paragraph c, of this Act and profits not directly related
5 to gambling need not be reported hereunder. Any person or
6 organization not required to have a gambling license in or-
7 der to conduct, suffer, permit, play or participate in
8 gambling, shall not be required to file a gambling profit
9 return.

10 Any licensee failing to file a return as herein required
11 shall be guilty of a serious misdemeanor. In addition to
12 any criminal penalty imposed, the person's gambling license
13 shall be suspended for a period not to exceed one year. Re-
14 ports filed hereunder shall not excuse the licensee from
15 filing any other report required by law.

16 Sec. 14. NEW SECTION. PENALTIES. A violation of any
17 provision of this Act for which punishment is not otherwise
18 prescribed, shall constitute an aggravated misdemeanor. In
19 addition, upon conviction, any or all state licenses issued
20 to a licensee for any or all of the licensee's licensed
21 premises, may be temporarily or permanently suspended or
22 revoked by the license-issuing authority or by the hearing
23 board thereof, if any.

24 Sec. 15. NEW SECTION. RULES. The department of revenue
25 shall, subject to the provisions of chapter seventeen A (17A)
26 of the Code, make such rules as necessary to administer all
27 provisions within the guidelines of this Act.

28 Sec. 16. NEW SECTION. SUSPENSION OR REVOCATION OF GAM-
29 BLING LICENSE. Any gambling license issued under this Act
30 may, after notice in writing to the licensee and reasonable
31 opportunity for hearing, be temporarily or permanently sus-
32 pended or revoked by the director of the department of revenue
33 or majority action of any city council, or board of supervisors
34 of any county, if outside a city, in which the licensed
35 premises of a gambling licensee are located, for any of the

1 following causes:

2 1. Conviction of a violation of this Act.

3 2. Misrepresentation of any material fact in the appli-
4 cation for such license.

5 3. Violation of any provisions of this Act.

6 4. Any change in the ownership or interest in a business
7 operated on the premises licensed pursuant to this Act.

8 5. An event which would have resulted in disqualification
9 from receiving such license when originally issued.

10 6. Any sale, hypothecation, or transfer of such license.

11 7. The failure or refusal on the part of any licensee
12 to render any report or remit any taxes to the department
13 under this Act when due.

14 8. Three or more violations of this Act upon any licensed
15 premises on three or more separate days, within any period
16 of ninety days, by any person or persons whether or not said
17 person or persons, or their unlawful activities hereunder,
18 are known to the licensee or his or her agents.

19 Cities or counties shall have the power to suspend or
20 revoke any gambling license for a violation of any ordinance
21 adopted by such local authorities. Such local authorities
22 are empowered to adopt ordinances or regulations within their
23 respective jurisdictions for the location of premises upon
24 which lawful gambling may be conducted and are empowered to
25 adopt ordinances, not in conflict with the provisions of this
26 Act and that do not diminish the hours specified herein during
27 which lawful gambling may be conducted, and ordinances
28 governing any other matters which may affect the practice
29 of lawful gambling and the health, welfare and morals of the
30 community involved. The action of any local authorities
31 suspending or revoking a gambling license under this sec-
32 tion may be appealed to the hearing board established in
33 section seventeen (17) of this Act within thirty days by
34 notice in writing filed with the director of revenue.

35 Sec. 17. NEW SECTION. HEARING BOARD AND APPEALS. There

1 is hereby created a three-member hearing board for the pur-
2 pose of conducting hearings relating to controversies con-
3 cerning the suspension, or revocation of gambling licenses
4 by state or local authorities.

5 Two members shall be appointed by the director of the
6 department of revenue from the personnel of the department
7 and one member shall be appointed by the director of the Iowa
8 beer and liquor control department from the three-member
9 hearing board of that department. The hearing board shall
10 have the power to review de novo any suspension or revoca-
11 tion and to reverse, vacate, modify or affirm any action in
12 which a gambling license is suspended or revoked. Said de-
13 cision may be reviewed by the district court on application
14 of the licensee, director of revenue or other suspending
15 authority, by writ of certiorari under division fourteen (XIV)
16 of the rules of civil procedure. The hearing board shall
17 establish and adopt rules and procedures for conducting
18 departmental hearings under this Act.

19 Sec. 18. Section ninety-nine point one (99.1), Code 1977,
20 is amended to read as follows:

21 99.1 HOUSES OF PROSTITUTION OR OTHER NUISANCES. Whoever
22 shall erect, establish, continue, maintain, use, own, or lease
23 any building, erection, or place used for the purpose of
24 lewdness, assignation, prostitution or unlawful gambling,
25 or pool selling ~~as defined by section 726-6~~ is guilty of a
26 nuisance, and the building, erection, or place, or the ground
27 itself, in or upon which such lewdness, assignation, pros-
28 titution, or unlawful gambling, or pool selling ~~as defined~~
29 ~~by section 726-6~~ is conducted, permitted, or carried on,
30 continued, or exists, and the furniture, fixtures, musical
31 instruments, and movable property used in conducting or
32 maintaining such nuisance, are also declared a nuisance and
33 shall be enjoined and abated as hereinafter provided.

34 ~~The provisions of this section shall not apply to games~~
35 ~~of skill, games of chance, or raffles conducted pursuant to~~

1 ~~chapter-99B-or-to-devices-lawful-under-section-99B-40-or-to~~
2 ~~games-lawful-under-section-726-42-~~

3 Sec. 19. Section ninety-nine A point one (99A.1),
4 subsection one (1), Code 1977, is amended by striking the
5 subsection and inserting in lieu thereof the following:

6 1. "Gambling devices" means roulette wheels, klondike
7 tables, punchboards, faro layouts, slot machines, crap tables,
8 black jack tables, any ticket, sheet, or writing of any kind
9 used or designed to be used for unlawful gambling purposes,
10 and all machines and devices used for unlawful gambling, and
11 all machines and devices of any nature whatsoever adapted,
12 devised and designed for the purpose of unlawful gambling.
13 Nothing in this definition shall be construed to include dice
14 or ordinary playing cards or any other device or machine which
15 can be used for lawful gambling. And it shall be lawful for
16 any person to own, operate, or play mechanical or electronic
17 amusement devices even though the machine or device awards
18 free games or one or more additional balls or shots upon
19 attaining a certain score. But such machines and devices
20 shall be unlawful gambling devices if they award or are played
21 for cash or merchandise prizes or if the machines or devices
22 are equipped with a push botton or other device for releasing
23 free games which are not played off and a meter for measuring
24 the games released or a device by which a person may increase
25 his or her chances of winning free games by inserting
26 additional coins.

27 Sec. 20. Section one hundred twenty-three point forty-
28 nine (123.49), subsection two (2), paragraph a, Code 1977,
29 is amended to read as follows:

30 a. Knowingly permit any gaming, gambling, ~~except-in~~
31 ~~accordance-with-chapter-99B,-or-knowingly-permit~~ sollicita-
32 tion for immoral purposes, or immoral or disorderly conduct
33 on the premises covered by the license or permit. This para-
34 graph shall not apply to lawful gambling, suffered or permitted
35 on the premises covered by the liquor control license or beer

1 permit if said premises are also covered by a valid gambling
2 license.

3 Sec. 21. Section four hundred twenty-two point forty-three
4 (422.43), unnumbered paragraphs two (2) and three (3), Code
5 1977, are amended to read as follows:

6 There is hereby imposed a tax of three percent upon the
7 gross receipts derived from the operation of all forms of
8 amusement devices and ~~games-of-skill, games-of-chance, raffles~~
9 ~~and-bingo-games-as-defined-in-chapter-99B, and upon the gross~~
10 receipts derived from gambling conducted for profit by any
11 gambling licensee in Iowa, and upon the gross receipts from
12 any commercial amusement enterprises operated or conducted
13 within the state of Iowa, such tax to be collected from the
14 operator in the same manner as is provided for the collection
15 of taxes upon the gross receipts of tickets or admission as
16 provided in this section.

17 The tax thus imposed shall cover all receipts from the
18 operation of ~~games-of-skill, games-of-chance, raffles and~~
19 ~~bingo-games-as-defined-in-chapter-99B, gambling~~ and musical
20 devices, weighing machines, shooting galleries, billiard and
21 pool tables, bowling alleys, pinball machines, slot-operated
22 devices selling merchandise not subject to the general sales
23 taxes and on all receipts from devices or systems where prizes
24 are in any manner awarded to patrons and upon the receipts
25 from fees charged for participation in any game or other form
26 of amusement, and generally upon the gross receipts from any
27 source of amusement operated for profit not specified herein,
28 and upon the gross receipts from which no tax is collected
29 for tickets or admission, but no tax shall be imposed upon
30 any activity exempt from sales tax under the provision of
31 section 422.45, subsection 4. Every person receiving gross
32 receipts from the sources as defined in this section shall
33 be subject to all provisions of this division relating to
34 retail sales tax and such other provisions of this chapter
35 as may be applicable.

1 Sec. 22. Section four hundred twenty-two point forty-five
2 (422.45), subsection three (3), Code 1977, is amended to read
3 as follows:

4 3. The gross receipts from sales of educational, religious,
5 or charitable activities, where the entire proceeds therefrom
6 are expended for educational, religious, or charitable
7 purposes, ~~except the gross receipts from games of skill, games~~
8 ~~of chance, raffles and bingo games as defined in chapter 99B.~~

9 Sec. 23. Section five hundred thirty-seven A point four
10 (537A.4), Code 1977, is amended to read as follows:

11 537A.4 GAMING CONTRACTS VOID. All promises, agreements,
12 notes, bills, bonds, or other contracts, mortgages or other
13 securities, when the whole or any part of the consideration
14 thereof is for money or other valuable thing won or lost,
15 laid, staked, or bet, at or upon any game of any kind or on
16 any wager, are absolutely void and of no effect, except that
17 the lawful promise of a gambling licensee or his or her agents
18 conducting any lawful gambling game or activity under said
19 license shall be valid and enforceable according to the law
20 of contracts.

21 ~~This section shall not apply to a contract for the opera-~~
22 ~~tion of or for the sale or rental of equipment for games of~~
23 ~~skill or games of chance, if both the contract and the games~~
24 ~~are in compliance with chapter 99B.~~

25 Sec. 24. Section seven hundred twenty-six point two
26 (726.2), Code 1977, is amended to read as follows:

27 726.2 "KEEPER" DEFINED. In a prosecution under section
28 ~~726.4~~ two (2) of this Act, any person who has the charge of
29 or attends to any such house, shop, or place is the keeper
30 thereof.

31 Sec. 25. Section seven hundred twenty-six point five
32 (726.5), Code 1977, is amended to read as follows:

33 726.5 POSSESSION OF GAMBLING DEVICES PROHIBITED. No one
34 shall, in any manner or for any purpose whatever, except under
35 proceeding to destroy the same, have, keep, or hold in posses-

1 sion or control any gambling device as defined in section
 2 nineteen (19) of this Act. ~~The term "gambling device" means~~
 3 ~~and includes every device used or adapted or designed to be~~
 4 ~~used for gambling. -- Roulette wheels, klondike tables,~~
 5 ~~punchboards, fare layouts, keno layouts, numbers tickets,~~
 6 ~~slot machines, pinball machines, push cards, jar tickets and~~
 7 ~~pull tabs are gambling devices per se. -- The term "gambling~~
 8 ~~device" does not include any device regularly manufactured~~
 9 ~~and offered for sale and sold as a toy, except that any use~~
 10 ~~of such a device for gambling purposes constitutes unlawful~~
 11 ~~gambling.~~ A violation of this section by a gambling licensee
 12 or other person required to have a gambling license is an
 13 aggravated misdemeanor. A violation of this section by any
 14 person not required to have a gambling license is a simple
 15 misdemeanor. In either case, an unlawful gambling device
 16 shall be forfeited to the state as contraband, and the court
 17 shall order its destruction.

18 Sec. 26. Section seven hundred twenty-six point fifteen
 19 (726.15), Code 1977, is amended to read as follows:

20 726.15 PROTECTION MONEY PROHIBITED. Any officer or
 21 employee of this state, or of a county, city, or judicial
 22 district who asks for, receives or collects any money or other
 23 consideration for and with the understanding that the officer
 24 or employee will aid, exempt, or otherwise protect another
 25 person from detection, arrest or conviction of any violation
 26 of this chapter ~~or chapter 99B commits a felony punishable~~
 27 ~~by a fine not to exceed five thousand dollars or by~~
 28 ~~imprisonment for a term not to exceed two years, or by both~~
 29 ~~fine and imprisonment~~ commits an aggravated misdemeanor.

30 Sec. 27. Section seven hundred twenty-six point sixteen
 31 (726.16), Code 1977, is amended to read as follows:

32 726.16 COLLECTION SERVICE PROHIBITED. Any person who
 33 knowingly offers, gives or sells his or her services for use
 34 in collecting or enforcing any debt arising from gambling,
 35 whether or not lawful gambling, ~~commits a felony, punishable~~

1 ~~by a fine not to exceed five thousand dollars or by~~
2 ~~imprisonment for a term not to exceed two years, or by both~~
3 ~~fine and imprisonment~~ an aggravated misdemeanor.

4 Sec. 28. Chapter ninety-nine B (99B), Code 1977, is
5 repealed; and sections seven hundred thirteen point twenty-
6 nine (713.29), seven hundred thirteen point thirty (713.30),
7 seven hundred thirteen point thirty-one (713.31), seven hundred
8 thirteen point thirty-two (713.32), seven hundred thirteen
9 point thirty-three (713.33), seven hundred twenty-six point
10 one (726.1), seven hundred twenty-six point three (726.3),
11 seven hundred twenty-six point six (726.6), seven hundred
12 twenty-six point eight (726.8), seven hundred twenty-six point
13 nine (726.9), seven hundred twenty-six point ten (726.10),
14 seven hundred twenty-six point eleven (726.11), and seven
15 hundred twenty-six point fourteen (726.14), Code 1977, are
16 repealed. However, prosecutions for violations of any of
17 said sections which occurred prior to the effective date of
18 this repeal, and any appeals therefrom, may be continued and
19 shall not be held or rendered moot by any court.

20 Sec. 29. Chapter one thousand two hundred forty-five
21 (1245), Acts of the Sixty-sixth General Assembly, 1976 Session,
22 chapter four (4), section one hundred twenty-two (122), is
23 amended by striking the section and inserting in lieu thereof
24 the following:

25 SEC. 122. Section one hundred twenty-three point fifty
26 (123.50), subsection one (1), Code ~~1975~~ 1977, is amended to
27 read as follows:

28 1. Any person who violates any of the provisions of section
29 123.49 shall be ~~subject to a fine of not to exceed one hundred~~
30 ~~dollars or to imprisonment for not more than thirty days in~~
31 ~~the county jail~~ guilty of a simple misdemeanor, except that
32 any such violation which constitutes a violation of chapter
33 seven hundred twenty-six (726) of the Code shall be punished
34 as provided in that chapter.

35 Sec. 30. Chapter one thousand two hundred forty-five

1 (1245), Acts of the Sixty-sixth General Assembly, 1976 Session,
2 chapter four (4), sections sixty-nine (69), five hundred six
3 (506), five hundred nine (509) and five hundred ten (510),
4 are amended by striking those sections.

5 Sec. 31. This Act shall take effect on January 1, 1978.

6 EXPLANATION

7 This is a complete and comprehensive gambling law for Iowa.
8 It amends Chapter 726, Code 1977, and legalizes the most
9 common gambling, much of which has been openly engaged in
10 within Iowa throughout most of this century. But it attempts
11 to impose reasonable limits and regulations. "Lawful gambling"
12 is carefully enumerated under six broad general categories
13 designated as follows:

- 14 1. Fair, carnival, church and school games.
- 15 2. Contests, competitions, races, tournaments and exhibi-
- 16 tions.
- 17 3. Small wagers.
- 18 4. Card and parlor games.
- 19 5. Lotteries, raffles and drawings.
- 20 6. Betting pools.

21 While it is impossible to specifically define each lawful
22 gambling game or practice in any comprehensive statute, lawful
23 gambling as enumerated under the six broad general categories
24 of this bill is carefully enough described as to be easily
25 recognized and construed. Lawful gambling is lawful only
26 as an exception to "unlawful gambling" as defined in this
27 bill in terms of our traditional gambling statute and dozens
28 of decisions of our Iowa Supreme Court.

29 Law enforcement officers insist that a careful enumeration
30 of what is lawful gambling, as an exception to unlawful
31 gambling, is essential to the enforceability of any gambling
32 law. This is true because doubts are always resolved in favor
33 of a defendant in a criminal prosecution. But an exception,
34 even to a criminal statute, is strictly construed against
35 the exception and doubts are resolved in favor of the general

1 prohibition. Wood Bros. Thresher Co. v. Eicher, 1942, 231
2 Iowa 550, 1 NW 2d 655. Accordingly this law can be strictly
3 applied to a gambler, or a gambling house, and any doubt as
4 to whether gambling is lawful under the law would be resolved
5 against its being lawful.

6 Not only is any gambling which is not enumerated and played
7 according to the terms of the Act unlawful, but certain "hard
8 core" fast action gambling games are specifically prohibited
9 so as to leave no question. Thus, games such as craps, rou-
10 lette, black jack and other common casino-type games, as well
11 as games readily adopted by swindlers, such as three card
12 monte, are expressly forbidden. So are one-armed bandit-type
13 slot machines, punchboards and the like. On the other hand,
14 pinball machines which award free games, or extra balls, are
15 lawful. Literally hundreds of harmless carnival games have
16 been made lawful by description, but others, easily rigged
17 or "gaffed", and criticized by Scarne (see, "Complete Guide
18 to Gambling" by John Scarne, Simon and Schuster, 1961. Mr.
19 Scarne is widely considered one of the world's foremost
20 authorities on gambling.) as "flat joints" or con games are
21 not legalized simply because they have not been described
22 with those enumerated as lawful.

23 Throughout the bill there are limits as to what can be
24 wagered and what can be won. For example, at the fair, the
25 cost of playing a game may not exceed \$1.00 and only mer-
26 chandise prizes not exceeding \$25.00 in value may be awarded.
27 But in bingo games played at churches, cash prizes of up to
28 \$100.00, and in jackpot bingo, \$500.00, may be won. The limit
29 on small wagers is \$5.00 per event, a term defined in the
30 bill. In card games, like poker, no player may win or lose
31 more than \$100.00 at any time within any period of 12 hours,
32 or over the entire period. There is no limit on what a person
33 can win in certain athletic contests and exhibitions, such
34 as golf tournaments, or in Las Vegas or fun nights conducted
35 annually.

1 The bill contains detailed provisions covering cheating.
 2 It carefully enumerates when a gambling license is required
 3 and when it is not, who may profit from gambling and who may
 4 not, who must report gambling profits and the details which
 5 must be reported. It imposes a tax on gambling receipts and
 6 section 12 even prohibits certain licensees from conducting
 7 or permitting some kinds of lawful gambling. (Not every gam-
 8 bling licensee may conduct all forms of lawful gambling.
 9 For example bingo may not be played at taverns. And
 10 tournaments or card games may not be conducted by carnivals.)
 11 No age limitations have been included.

12 Such common games as poker, gin rummy and bridge may be
 13 played as gambling games in private dwellings and in licensed
 14 establishments, but no one can take a rake-off or cut, or
 15 make any profit except as a player.

16 As a practical matter, every beer or liquor licensee must
 17 acquire a \$10.00 gambling license annually from the department
 18 of revenue or, failing to do so, would have to take extra-
 19 ordinary measures to see that no gambling of any kind occurred
 20 on his premises. But a school or PTA would not be required
 21 to get a gambling license or report gambling profits for its
 22 fund raising purposes.

23 Ordinarily, a violation is a misdemeanor punishable under
 24 section 14 by a fine not to exceed \$5000.00 or imprisonment
 25 in the county jail for a period not to exceed one year, or
 26 by both such fine and imprisonment. Provisions for suspension
 27 and revocation of licenses by a hearing board are modeled
 28 after those in the liquor law. The department of revenue
 29 is given power to make rules within the guidelines of the
 30 Act and, within limits, cities, and counties are given
 31 ordinance making powers by which to regulate gambling within
 32 their respective jurisdictions.

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