

FILED JAN 27 1999

STATE GOVERNMENT

SENATE FILE 2070

BY RIFE

Passed Senate, Date _____ Passed House, Date _____

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

Approved _____

A BILL FOR

1 An Act relating to the allocation of gambling receipts to horse
2 race purses.

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

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S.F. 2070

1 Section 1. Section 99F.6, subsection 4, paragraph a, Code
2 1997, is amended to read as follows:

3 a. Before a license is granted, the division of criminal
4 investigation of the department of public safety shall conduct
5 a thorough background investigation of the applicant for a
6 license to operate a gambling game operation on an excursion
7 gambling boat. The applicant shall provide information on a
8 form as required by the division of criminal investigation. A
9 qualified sponsoring organization licensed to operate gambling
10 games under this chapter shall distribute the receipts of all
11 gambling games, less reasonable expenses, charges, taxes,
12 fees, and deductions allowed under this chapter, as winnings
13 to players or participants or shall distribute the receipts
14 for educational, civic, public, charitable, patriotic, or
15 religious uses as defined in section 99B.7, subsection 3,
16 paragraph "b". However, if a licensee who is also licensed to
17 conduct pari-mutuel wagering at a horse racetrack has unpaid
18 debt from the pari-mutuel racetrack operations, the first
19 receipts of the gambling games operated within the racetrack
20 enclosure less reasonable operating expenses, taxes, and fees
21 allowed under this chapter shall be first used to pay the
22 annual indebtedness. The commission shall authorize, subject
23 to the debt payments for horse racetracks and the provisions
24 of paragraph "b" for dog racetracks, a licensee who is also
25 licensed to conduct pari-mutuel dog or horse racing to use
26 receipts from gambling games within the racetrack enclosure to
27 supplement purses for races particularly for Iowa-bred horses
28 pursuant to an agreement which shall be negotiated between the
29 licensee and representatives of the dog or horse owners. For
30 a licensee who is also licensed to conduct pari-mutuel horse
31 racing, the supplement to the horse race purses shall be an
32 amount equal to twenty percent of the annual adjusted gross
33 receipts received from gambling games and, of the total sum
34 allocated to supplement horse race purses, twenty percent
35 shall be used to supplement the purses of Iowa-bred horses who

1 are winners of unrestricted horse races. A qualified
2 sponsoring organization shall not make a contribution to a
3 candidate, political committee, candidate's committee, state
4 statutory political committee, county statutory political
5 committee, national political party, or fund-raising event as
6 these terms are defined in section 56.2. The membership of
7 the board of directors of a qualified sponsoring organization
8 shall represent a broad interest of the communities.

9 EXPLANATION

10 This bill provides that a licensee of a pari-mutuel horse
11 racetrack who is also licensed to conduct gambling games at
12 the horse racetrack shall allocate an amount equal to 20
13 percent of adjusted gross receipts from gambling games to
14 supplement horse race purses if the licensee chooses to
15 supplement horse race purses. Of the total amount allocated
16 to supplement the horse race purses, 20 percent shall be used
17 to supplement the purses of Iowa-bred horses who are winners
18 of unrestricted horse races.

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