

### 99F.6 Requirements of applicant — fee — penalty.

1. A person shall not be issued a license to conduct gambling games on an excursion gambling boat or a license to operate an excursion gambling boat under [this chapter](#), an occupational license, a distributor license, or a manufacturer license unless the person has completed and signed an application on the form prescribed and published by the commission. The application shall include the full name, residence, date of birth and other personal identifying information of the applicant that the commission deems necessary. The application shall also indicate whether the applicant has any of the following:

- a. A record of conviction of a felony.
- b. An addiction to alcohol or a controlled substance.
- c. A history of mental illness.

2. An applicant shall submit pictures, fingerprints, and descriptions of physical characteristics to the commission in the manner prescribed on the application forms. The fingerprints may be submitted to the federal bureau of investigation by the department of public safety through the state criminal history repository for the purpose of a national criminal history check.

3. The commission shall charge the applicant a fee set by the department of public safety, division of criminal investigation, to defray the costs associated with the search and classification of fingerprints required in [subsection 2](#) and background investigations conducted by agents of the division of criminal investigation. This fee is in addition to any other license fee charged by the commission.

4. a. (1) Before a license is granted, the division of criminal investigation of the department of public safety shall conduct a thorough background investigation of the applicant for a license to operate a gambling game operation on an excursion gambling boat. The applicant shall provide information on a form as required by the division of criminal investigation.

(2) A qualified sponsoring organization licensed to operate gambling games under [this chapter](#) shall distribute the receipts of all gambling games, less reasonable expenses, charges, taxes, fees, and deductions allowed under [this chapter](#), as winnings to players or participants or shall distribute the receipts for educational, civic, public, charitable, patriotic, or religious uses as defined in section [99B.1](#). However, a licensee to conduct gambling games under [this chapter](#) shall, unless an operating agreement for an excursion gambling boat otherwise provides, distribute at least three percent of the adjusted gross receipts for each license year for educational, civic, public, charitable, patriotic, or religious uses as defined in section [99B.1](#). However, if a licensee who is also licensed to conduct pari-mutuel wagering at a horse racetrack has unpaid debt from the pari-mutuel racetrack operations, the first receipts of the gambling games operated within the racetrack enclosure less reasonable operating expenses, taxes, and fees allowed under [this chapter](#) shall be first used to pay the annual indebtedness.

(3) The commission shall authorize, subject to the debt payments for horse racetracks and the provisions of paragraph “b” for dog racetracks, a licensee who is also licensed to conduct pari-mutuel dog or horse racing to use receipts from gambling games within the racetrack enclosure to supplement purses for races particularly for Iowa-bred horses pursuant to an agreement which shall be negotiated between the licensee and representatives of the dog or horse owners. For agreements subject to commission approval concerning purses for horse racing beginning on or after January 1, 2006, the agreements shall provide that total annual purses for all horse racing shall be no less than eleven percent of the first two hundred million dollars of net receipts, and six percent of net receipts above two hundred million dollars. In addition, live standardbred horse racing shall not be conducted at the horse racetrack in Polk county, but the purse moneys designated for standardbred racing pursuant to [section 99D.7, subsection 5](#), paragraph “b”, shall be included in calculating the total annual purses required to be paid pursuant to [this subsection](#). Agreements that are subject to commission approval concerning horse purses for a period of time beginning on or after January 1, 2006, shall be jointly submitted to the commission for approval.

(4) A qualified sponsoring organization shall not make a contribution to a candidate, political committee, candidate’s committee, state statutory political committee, county statutory political committee, national political party, or fund-raising event as these terms

are defined in [section 68A.102](#). The membership of the board of directors of a qualified sponsoring organization shall represent a broad interest of the communities.

(5) For purposes of this paragraph, “*net receipts*” means the annual adjusted gross receipts from all gambling games less the annual amount of money pledged by the owner of the facility to fund a project approved to receive vision Iowa funds as of July 1, 2004.

b. (1) The commission shall authorize the licensee of the pari-mutuel dog racetrack located in Dubuque county to conduct gambling games as provided in [section 99F.4A](#) if the licensee schedules at least one hundred thirty performances of twelve live races each day during a season of twenty-five weeks. For the pari-mutuel dog racetrack located in Pottawattamie county, the commission shall authorize the licensee to conduct gambling games as provided in [section 99F.4A](#) if the licensee schedules at least two hundred ninety performances of twelve live races each day during a season of fifty weeks. However, the requirement to schedule performances of live races for purposes of conducting gambling games under [this chapter](#) shall not apply to a licensee as of the live racing cessation date of the licensee as provided in [section 99D.9A](#).

(2) If a pari-mutuel dog racetrack authorized to conduct gambling games as of January 1, 2014, is required to schedule performances of live races for purposes of conducting gambling games under [this chapter](#) during any calendar year, the commission shall approve an annual contract to be negotiated between the annual recipient of the dog racing promotion fund and each dog racetrack licensee to specify the percentage or amount of gambling game proceeds which shall be dedicated to supplement the purses of live dog races. The parties shall agree to a negotiation timetable to insure no interruption of business activity. If the parties fail to agree, the commission shall impose a timetable. If the two parties cannot reach agreement, each party shall select a representative and the two representatives shall select a third person to assist in negotiating an agreement. The two representatives may select the commission or one of its members to serve as the third party. Alternately, each party shall submit the name of the proposed third person to the commission who shall then select one of the two persons to serve as the third party. All parties to the negotiations, including the commission, shall consider that the dog racetracks were built to facilitate the development and promotion of Iowa greyhound racing dogs in this state and shall negotiate and decide accordingly.

5. Before a license is granted, an operator of an excursion gambling boat shall work with the economic development authority to promote tourism throughout Iowa. Tourism information from local civic and private persons may be submitted for dissemination.

6. A person who knowingly makes a false statement on the application is guilty of an aggravated misdemeanor.

7. For the purposes of [this section](#), applicant includes each member of the board of directors of a qualified sponsoring organization.

8. a. The licensee or a holder of an occupational license shall consent to the search, without a warrant, by agents of the division of criminal investigation of the department of public safety or commission employees designated by the administrator of the commission, of the licensee’s or holder’s person, personal property, and effects, and premises which are located on the excursion gambling boat or adjacent facilities under control of the licensee, in order to inspect or investigate for violations of [this chapter](#) or rules adopted by the commission pursuant to [this chapter](#). The department or commission may also obtain administrative search warrants under [section 808.14](#).

b. However, [this subsection](#) shall not be construed to permit a warrantless inspection of living quarters or sleeping rooms on the riverboat if all of the following are true:

(1) The licensee has specifically identified those areas which are to be used as living quarters or sleeping rooms in writing to the commission.

(2) Gaming is not permitted in the living quarters or sleeping rooms, and devices, records, or other items relating to the licensee’s gaming operations are not stored, kept, or maintained in the living quarters or sleeping rooms.

(3) Alcoholic beverages are not stored, kept, or maintained in the living quarters or sleeping rooms except those legally possessed by the individual occupying the quarters or room.

c. The commission shall adopt rules to enforce [this subsection](#).

[89 Acts, ch 67, §6](#); [89 Acts, ch 231, §33](#); [94 Acts, ch 1021, §15](#); [95 Acts, ch 176, §3](#); [2002 Acts, ch 1044, §10, 11](#); [2003 Acts, ch 108, §32](#); [2004 Acts, ch 1136, §40](#); [2005 Acts, ch 35, §31](#); [2007 Acts, ch 48, §6, 7](#); [2011 Acts, ch 111, §9](#); [2011 Acts, ch 118, §85, 89](#); [2014 Acts, ch 1126, §11](#); [2015 Acts, ch 99, §52](#)

Referred to in [§99D.9A](#)

For transition provisions relating to purse supplements for live dog races conducted during calendar year 2015 at the pari-mutuel dog racetrack located in Pottawattamie County, see [2014 Acts, ch 1126, §12](#)

Subsection 4, paragraph a, subparagraph (2) amended