Senate Amendment 5312

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Amend House File 2302, as amended, passed, and
   2 reprinted by the House, as follows:
   3 #1. By striking everything after the enacting
4 clause and inserting the following:
         NEW SECTION. 15E.311 COUNTY
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   6 ENDOWMENT FUND.
          1. The purpose of this section is to enhance the
   8 quality of life for citizens of Iowa by providing
   9 moneys to new or existing citizen groups of this state
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1 10 organized to establish county affiliate funds or 1 11 community foundations that will address countywide
1 12 needs.
1 13 2. A county endowment fund is created in the state 1 14 treasury under the control of the department of
1 15 revenue. The fund consists of all moneys appropriated
1 16 to the fund. Moneys in the fund shall be distributed
1 17 by the department as provided in this section.
         3. a. At the end of each fiscal year, moneys in
1 19 the fund shall be transferred into separate accounts
  20 within the fund and designated for use by each county
1 21 in which no licensee authorized to conduct gambling
1 22 games under chapter 99F was located during that fiscal
1 23 year. Moneys transferred to county accounts shall be 1 24 divided equally among the counties. Moneys
1 25 transferred into an account for a county shall be
  26 transferred by the department to an eligible county 27 recipient for that county. Of the moneys transferred,
1 28 an eligible county recipient may distribute up to
  29 eighty percent of the moneys as grants to charitable
  30 organizations for educational, civic, public,
1 31 charitable, patriotic, or religious uses, as defined 1 32 in section 99B.7, subsection 3, paragraph "b", in that 1 33 county and shall retain the remainder of the moneys
  34 for use in establishing a permanent endowment fund for
1 35 the benefit of charitable organizations for
1 36 educational, civic, public, charitable, patriotic, or 1 37 religious uses, as defined in section 99B.7,
1 38 subsection 3, paragraph "b".
         b. If a county does not have an eligible county
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1 40 recipient, moneys in the account for that county shall 1 41 remain in that account until an eligible county
1 42 recipient for that county is established.
1 43 c. For purposes of this subsection, an "eligible 1 44 county recipient" means a qualified community
1 45 foundation or community affiliate organization, as 1 46 defined in section 15E.303, that is selected, in
  47 accordance with the procedures described in section
1 48 15E.304, to receive moneys from an account created in
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  49 this section for a particular county. To be selected
  50 as an eligible county recipient, a community affiliate
   1 organization shall establish a county affiliate fund
   2 to receive moneys as provided by this section.
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          4. Notwithstanding section 12C.7, subsection 2,
    4 interest or earnings on moneys deposited in the county
   5 endowment fund shall be credited to the county
   6 endowment fund. Notwithstanding section 8.33, moneys 7 credited to the county endowment fund shall not revert
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   8 at the close of a fiscal year.
         Sec. 2. Section 99D.2, subsection 8, Code 2003, is
  10 amended to read as follows:
          8. "Racetrack enclosure" means all real property
  12 utilized for the conduct of a race meeting, including
2 13 the <u>racetrack</u>, grandstand, <del>clubhouse</del>, <del>turf club or</del> 2 14 other areas of a licensed racetrack which a person may
2 15 enter only upon payment of an admission fee, or upon
2 16 payment by another, at any time, based upon the
  17 person's admittance, or upon presentation of
2 18 authorized credentials. "Racetrack enclosure" also 2 19 means concession stands, offices, barns, kennels and
  20 barn areas, employee housing facilities, parking lots,
2 21 and any additional areas designated by the commission.
          Sec. 3. Section 99D.2, Code 2003, is amended by
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2 23 adding the following new subsection: 2 24 <u>NEW SUBSECTION</u>. 9. "Wagering area" means that

2 25 portion of a racetrack in which a licensee may receive 2 26 wagers of money from a person present in a licensed 2 27 racing enclosure on a horse or dog in a race selected 2 28 by the person making the wager as designated by the 2 29 commission. 2 30 Sec. 4. Section 99D.5, subsection 4, Code 2003, is 31 amended to read as follows: 32 4. Commission members are each entitled to receive 33 an annual salary of six thousand dollars. Members 34 shall also be reimbursed for actual expenses incurred 35 in the performance of their duties to a maximum of 2 36 thirty thousand dollars per year for the commission. 2 37 Each member shall post a bond in the amount of ten 38 thousand dollars, with sureties to be approved by the 2 39 governor, to guarantee the proper handling and 2 40 accounting of moneys and other properties required in 2 41 the administration of this chapter. The premiums on 2 42 the bonds shall be paid as other expenses of the 2 43 commission be covered by the blanket surety bond of 44 the state purchased pursuant to section 8A.321, 45 subsection 12. Section 99D.6, Code 2003, is amended to Sec. 5. 2 47 read as follows: 2 48 99D.6 CHAIRPERSON == ADMINISTRATOR == EMPLOYEES == 49 DUTIES == BOND. The commission shall elect in July of each year one 3 1 of its members as chairperson for the succeeding year. 2 The commission shall appoint an administrator of the 3 commission subject to confirmation by the senate. 3 4 administrator shall serve a four=year term. The term 5 shall begin and end in the same manner as set forth in 6 section 69.19. A vacancy shall be filled for the 7 unexpired portion of the term in the same manner as a 8 full=term appointment is made. The administrator may 9 hire other assistants and employees as necessary to 10 carry out the commission's duties. Employees in the positions of equine veterinarian, canine veterinarian, 12 and equine steward shall be exempt from the merit 13 system provisions of chapter 8A, subchapter IV, and 14 shall not be covered by a collective bargaining
15 agreement. Some or all of the information required of 3 15 agreement. Some or all of the information required of 3 16 applicants in section 99D.8A, subsections 1 and 2, may 3 17 also be required of employees of the commission if the 3 18 commission deems it necessary. The administrator 3 19 shall keep a record of the proceedings of the 3 20 commission, and preserve the books, records, and 3 21 documents entrusted to the administrator's care. 3 22 commission shall require the administrator to post a 23 bond in a sum it may fix, conditioned upon the 24 faithful performance of the administrator's duties 3 25 <u>shall be covered by the blanket surety bond of the</u> 3 26 state purchased pursuant to section 8A.321, subsection 3 27 12. Subject to the approval of the governor, the 3 28 commission shall fix the compensation of the 3 29 administrator within the salary range as set by the 3 30 general assembly. The commission shall have its 3 31 headquarters in the city of Des Moines, and shall meet 3 32 in July of each year and at other times and places as 3 33 it finds necessary for the discharge of its duties. Sec. 6. Section 99D.7, subsection 8, Code 2003, is 3 35 amended to read as follows: 3 36 8. To investigate alleged violations of this 3 37 chapter or the commission rules, orders, or final 38 decisions and to take appropriate disciplinary action against a licensee or a holder of an occupational 3 40 license for the violation, or institute appropriate 3 41 legal action for enforcement, or both. <u>Information</u> 42 gathered during an investigation is confidential
43 during the pendency of the investigation. Decisions 3 44 by the commission are final agency actions pursuant to 3 45 chapter 17A. 3 46 Sec. 7. Section 99D.7, subsection 19, Code 2003, 3 47 is amended to read as follows: 3 48 19. To require licensees to indicate in their 49 racing programs those horses which are treated with 50 the legal medication lasix furosemide or 1 phenylbutazone. The program shall also indicate if it 2 is the first or subsequent time that a horse is racing 3 with lasix furosemide, or if the horse has previously 4 raced with lasix <u>furosemide</u> and the present race is 5 the first race for the horse without lasix furosemide

6 following its use. Sec. 8. Section 99D.7, Code 2003, is amended by 8 adding the following new subsections: 4 9 <u>NEW SUBSECTION</u>. 23. To require licensees to 4 10 establish a process to allow a person to be 4 11 voluntarily excluded for life from a racetrack 4 12 enclosure and all other licensed facilities under this 13 chapter and chapter 99F. The process established 4 14 shall require that a licensee disseminate information 4 15 regarding persons voluntarily excluded to all 4 16 licensees under this chapter and chapter 99F. The 4 17 state and any licensee under this chapter or chapter 4 18 99F shall not be liable to any person for any claim 4 19 which may arise from this process. In addition to any 4 20 other penalty provided by law, any money or thing of 4 21 value that has been obtained by, or is owed to, a 4 22 voluntarily excluded person by a licensee as a result 23 of wagers made by the person after the person has been 4 24 voluntarily excluded shall not be paid to the person 25 but shall be deposited into the gambling treatment 26 fund created in section 135.150. 4 NEW SUBSECTION. 24. To approve and establish, at 4 2.7 28 the commission's discretion, special events and areas 29 at a racetrack enclosure where persons under the age 30 of twenty=one may be present. 4 31 Sec. 9. Section 99D.9, subsections 1 and 2, Code 4 32 2003, are amended to read as follows: 33 1. If the commission is satisfied that its rules 4 34 and sections 99D.8 through 99D.25 applicable to 35 licensees have been or will be complied with, it may 36 issue a license for a period of not more than three 37 years. The commission may decide which types of 4 38 racing it will permit. The commission may permit dog 39 racing, horse racing of various types, or both dog and 4 4 40 horse racing. The commission shall decide the number, 4 41 location, and type of all racetracks licensed under 4 42 this chapter. The license shall set forth the name of 4 43 the licensee, the type of license granted, the place 4 44 where the race meeting is to be held, and the time and 4 45 number of days during which racing may be conducted by 4 46 the licensee. The commission shall not approve the 47 licenses for racetracks in Dubuque county and Black 4 48 Hawk county if the proposed racing schedules of the 4 49 two tracks conflict. The commission shall not approve 4 50 a license application if any part of the racetrack is 1 to be constructed on prime farmland outside the city 2 limits of an incorporated city. As used in this 3 subsection, "prime farmland" means as defined by the 4 United States department of agriculture in 7 C.F.R. 5 sec. $\}$ 657.5(a). A license is not transferable or 6 assignable. The commission may revoke any license issued for good cause upon reasonable notice and 8 hearing. The commission shall conduct a neighborhood 9 impact study to determine the impact of granting a 10 license on the quality of life in neighborhoods 5 5 11 adjacent to the proposed racetrack facility. 5 12 applicant for the license shall reimburse the 13 commission for the costs incurred in making the study. 14 A copy of the study shall be retained on file with the 5 15 commission and shall be a public record. The study 5 16 shall be completed before the commission may issue a 5 17 license for the proposed facility. 5 18 2. A license shall only be granted to a nonprofit 19 corporation or association upon the express condition 20 that÷ The the nonprofit corporation or association 22 shall not, by a lease, contract, understanding, or 23 arrangement of any kind, grant, assign, or turn over 24 to a person the operation of a race meeting licensed 25 under this section or of the pari=mutuel system of 26 wagering described in section 99D.11. This section 27 does not prohibit a management contract approved by 5 28 the commission. 5 29 b. The nonprofit corporation shall not in any 30 manner permit a person other than the licensee to have 31 a share, percentage, or proportion of the money received for admissions to the race or race meeting. 5 33 Sec. 10. Section 99D.9, subsection 6, Code 2003, 5 34 is amended to read as follows: 5 35 6. (1) A licensee $\frac{may}{shall}$ not loan to any 5 36 person money or any other thing of value for the

5 37 purpose of permitting that person to wager on any 5 38 race. 5 39 (2) <u>A licensee shall not permit a financial</u> 5 40 institution, vendor, or other person to dispense cash 5 41 or credit through an electronic or mechanical device 5 42 including but not limited to a satellite terminal as 43 defined in section 527.2, that is located in the 5 44 wagering area. Sec. 11. Section 99D.9, Code 2003, is amended by 5 46 adding the following new subsection: 47 NEW SUBSECTION. 8. The commission shall require 5 48 that a licensee utilize Iowa resources, goods, and 49 services in the operation of a racetrack enclosure. 50 The commission shall develop standards to assure that 6 a substantial amount of all resources and goods used 2 in the operation of a racetrack enclosure emanate from 6 3 and are made in Iowa and that a substantial amount of 6 4 all services and entertainment are provided by Iowans. Sec. 12. Section 99D.11, subsection 7, Code 2003, 6 6 is amended to read as follows: 6 6 7. A person under the age of twenty=one years 6 8 shall not make or attempt to make a pari=mutuel wager. A person who violates this subsection commits a 6 9 6 10 scheduled violation under section 805.8C, subsection 6 6 12 Sec. 13. Section 99D.14, subsection 2, Code 2003, 6 13 is amended by striking the subsection and inserting in 6 14 lieu thereof the following: 6 15 2. A licensee shall pay a regulatory fee to be 6 16 charged as provided in this section. In determining 6 17 the regulatory fee to be charged as provided under 6 18 this section, the commission shall use the amount 6 19 appropriated to the commission plus the cost of 6 20 salaries for no more than two special agents for each 6 racetrack that has not been issued a table games 6 22 license under chapter 99F or no more than three 6 23 special agents for each racetrack that has been issued 24 a table games license under chapter 99F, plus any 6 25 direct and indirect support costs for the agents, for 6 26 the division of criminal investigation's racetrack 6 27 activities, as the basis for determining the amount of 28 revenue to be raised from the regulatory fee. 29 Sec. 14. Section 99D.14, subsection 7, Code 2003, 6 6 29 6 30 is amended by striking the subsection. 6 31 Sec. 15. Section 99D.15, subsection 3, paragraph 6 32 d, Code 2003, is amended by striking the paragraph. Sec. 16. Section 99D.15, Code 2003, is amended by 6 33 34 adding the following new subsection: 6 NEW SUBSECTION. 5. An amount equal to one=half of 6 35 36 one percent of the gross sum wagered by the pari= 37 mutuel method shall be deposited into the gambling 38 treatment fund created in section 135.150 from the tax 6 6 6 39 revenue received by the commission pursuant to 6 40 subsections 1 and 3. 6 41 Sec. 17. Section 99D.19, Code 2003, is amended to 6 42 read as follows: 6 43 99D.19 HORSE OR DOG RACING == LICENSEES == RECORDS 6 44 == REPORTS == SUPERVISION. 6 45 1. A licensee shall keep its books and records so 6 46 as to clearly show the following: 1. a. The total number of admissions to races 6 47 conducted by it on each racing day, including the 6 48 49 number of admissions upon free passes or complimentary 50 tickets for each day of operation The amount received daily from admission fees. 3. The total amount of money wagered during the 4 race meet for each day of operation.
5 2. The licensee shall furnish to the commission 6 reports and information as the commission may require 7 with respect to its activities. The commission may 8 designate a representative to attend a licensed race 9 meeting, who shall have full access to all places 7 10 within the enclosure of the meeting and who shall 11 supervise and check the admissions. The compensation 7 12 of the representative shall be fixed by the commission 7 13 but shall be paid by the licensee. Sec. 18. Sec read as follows: Section 99D.20, Code 2003, is amended to 7 15 99D.20 AUDIT OF LICENSEE OPERATIONS. Within ninety days after the end of each race meet,

7 18 the licensee shall transmit to the commission an audit 7 19 of the financial transactions and condition of the 7 20 licensee's operations conducted under this chapter. 7 21 Additionally, within ninety days after the end of the 7 22 licensee's fiscal year, the licensee shall transmit to 7 23 the commission an audit of the financial transactions 24 and condition of the licensee's total racing and <u>25 gaming</u> operations<u>, including an itemization of all</u> 7 26 expenses and subsidies. All audits shall be conducted 27 by certified public accountants registered in the 7 28 state of Iowa under chapter 542 who are selected by 7 29 the board of supervisors of the county in which the 30 licensee operates. Sec. 19. Section 99D.23, subsection 1, Code 2003, 7 32 is amended to read as follows: 1. The commission shall employ one or more 34 chemists or contract with a qualified chemical 7 35 laboratory to determine by chemical testing and 7 36 analysis of saliva, urine, blood, or other excretions 37 or body fluids whether a substance or drug has been 38 introduced which may affect the outcome of a race or 7 39 whether an action has been taken or a substance or 7 40 drug has been introduced which may interfere with the 7 41 testing procedure. The commission shall adopt rules 7 42 under chapter 17A concerning procedures and actions 7 43 taken on positive drug reports. The commission may 7 44 adopt by reference the standards of the national 45 association of state racing commissioners, the 46 association of official racing chemists, and New York 7 47 jockey club, or the United States trotting 48 association, nationally recognized standards as 7 49 determined by the commission or may adopt any other 7 50 procedure or standard. The commission has the 1 authority to retain and preserve by freezing, test 8 8 2 samples for future analysis. 8 Sec. 20. Section 99D.25, subsection 1, paragraph 4 a, Code 2003, is amended to read as follows:
5 a. "Drugging" means administering to a horse or
6 dog any substance foreign to the natural horse or dog 8 8 8 8 7 prior to the start of a race. However, in counties 8 with a population of two hundred fifty thousand or 8 9 more, "drugging" does not include administering to a 8 8 10 horse the drugs lasix furosemide and phenylbutazone in 8 11 accordance with section 99D.25A and rules adopted by 8 12 the commission. 8 13 Sec. 21. Section 99D.25, subsection 5, Code 2003, 8 14 is amended to read as follows: 8 5. Every horse which suffers a breakdown on the 8 16 racetrack, in training, or in competition, and is 8 17 destroyed, and every other horse which expires while 8 18 stabled on the racetrack under the jurisdiction of the 8 19 commission, shall undergo a postmortem examination by 20 a veterinarian or a veterinary pathologist at a time 8 21 and place acceptable to the commission veterinarian to 8 22 determine the injury or sickness which resulted in 8 23 euthanasia or natural death. The postmortem 8 24 examination shall be conducted by a veterinarian 8 25 employed by the owner or the owner's trainer in the 8 26 presence of and in consultation with the commission 8 27 veterinarian. Test samples shall be obtained from the 8 28 carcass upon which the postmortem examination is 8 29 conducted and shall be sent to a laboratory approved 8 30 by the commission for testing for foreign substances 8 31 and natural substances at abnormal levels. When 32 practical, blood and urine test samples should be 8 33 procured prior to euthanasia. The owner of the 8 34 deceased horse is responsible for payment of any 35 charges due the veterinarian employed to conduct the 8 36 postmortem examination. The services of the 37 commission veterinarian and the laboratory testing of 8 38 postmortem samples shall be made available by the commission without charge to the owner. A record of 8 40 every postmortem shall be filed with the commission by 8 41 the owner's veterinarian or veterinary pathologist who performed the postmortem within seventy=two hours of 8 43 the death and shall be submitted on a form supplied by 8 44 the commission. Each owner and trainer accepts the 8 45 responsibility for the postmortem examination provided 8 46 herein as a requisite for maintaining the occupational 8 47 license issued by the commission. Sec. 22. Section 99D.25, subsection 9, Code 2003,

8 49 is amended to read as follows:

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9. The commission shall conduct random tests of 1 bodily substances of horses entered to race each day 2 of a race meeting to aid in the detection of any 3 unlawful drugging. The tests shall may be conducted 4 both prior to and after a race. The commission shall 5 also test any horse that breaks down during a race and 6 shall perform an autopsy on any horse that is killed or subsequently destroyed as a result of an accident 8 during a race.

Sec. 23. Section 99D.25A, subsections 3 through 7, 9 10 Code 2003, are amended to read as follows:

3. If a horse is to race with phenylbutazone in 9 12 its system, the trainer, or trainer's designee, shall 9 13 be responsible for marking the information on the 9 14 entry blank for each race in which the horse shall use 9 15 phenylbutazone. Changes made after the time of entry 9 16 must be submitted on the prescribed form to the 9 17 commission veterinarian no later than scratch time.

9 18 4. If a test detects concentrations of 19 phenylbutazone in the system of a horse in excess of 9 20 the level permitted in this section, the commission 9 21 shall assess a civil penalty against the trainer of at $\frac{22 \text{ least}}{23 \text{ least}}$ two hundred dollars for the first offense and $\overline{\text{at}}$ 9 24 penalty for a third or subsequent offense shall be in 9 25 the discretion of the commission. A penalty assessed 9 26 under this subsection shall not affect the placing of 9 27 the horse in the race.

5. Lasix Furosemide may be administered to 29 certified bleeders. Upon request, any horse placed on 9 30 the bleeder list shall, in its next race, be permitted 9 31 the use of $\frac{1}{1}$ furosemide. Once a horse has raced 32 with lasix <u>furosemide</u>, it must continue to race with 33 lasix <u>furosemide</u> in all subsequent races unless a 9 34 request is made to discontinue the use. If the use of 35 lasix <u>furosemide</u> is discontinued, the horse shall be 36 prohibited from again racing with lasix furosemide 9 37 unless it is later observed to be bleeding. Requests 9 38 for the use of or discontinuance of $\frac{1}{1}$ furosemide 9 39 must be made to the commission veterinarian by the 9 40 horse's trainer or assistant trainer on a form 9 41 prescribed by the commission on or before the day of 9 42 entry into the race for which the request is made.

6. Once a horse has been permitted the use of 44 lasix <u>furosemide</u>, the horse must be treated with lasix 9 45 <u>furosemide</u> in the horse's stall, unless the commission 46 provides that a horse must be brought to the detention 9 47 barn for treatment. After the lasix furosemide 9 48 treatment, the commission, by rule, may authorize the 9 49 release of the horse from the horse's stall or 9 50 detention barn before the scheduled post time. If a 1 horse is brought to the detention barn late, the 2 commission shall assess a civil penalty of one hundred 3 dollars against the trainer.

7. A horse entered to race with lasix furosemide 5 must be treated at least four hours prior to post time. The lasix <u>furosemide</u> shall be administered intravenously by a veterinarian employed by the owner 8 or trainer of the horse. The commission shall adopt 10 9 rules to ensure that $\frac{1}{1}$ furosemide is administered 10 10 as provided in this section. The commission shall 10 11 require that the practicing veterinarian deliver an 10 12 affidavit signed by the veterinarian which certifies 10 13 information regarding the treatment of the horse. The 10 14 affidavit must be delivered to a commission 10 15 veterinarian within twenty minutes following the 10 16 treatment. The statement must at least include the 10 17 name of the practicing veterinarian, the tattoo number 10 18 of the horse, the location of the barn and stall where 10 19 the treatment occurred, the race number of the horse, 10 20 the name of the trainer, and the time that the lasix furosemide was administered. Lasix Furosemide shall 10 21 10 22 only be administered in a dose level of two hundred 10 23 fifty milligrams.

Sec. 24. Section 99F.1, Code Supplement 2003, is 10 25 amended by adding the following new subsection:

10 26 <u>NEW SUBSECTION</u>. 7A. "Excursion boat" means a self=propelled, floating vessel that is or has been 10 27 10 28 previously certified by the United States coast quard 10 29 for operation as a vessel.

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           Sec. 25. Section 99F.1, subsection 8, Code
 10 31 Supplement 2003, is amended to read as follows:
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            8.
                "Excursion gambling boat" means a self=
        <del>propelled</del> <u>an</u> excursion boat <u>or moored barge</u> on which
 10 34 lawful gambling is authorized and licensed as provided
 10 35 in this chapter.
        Sec. 26. Section 99F.1, subsection 10, Code Supplement 2003, is amended to read as follows:
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           10. "Gambling game" means any game of chance
 10 38
 10 39 authorized by the commission. However, for racetrack
 10 40 enclosures, "gambling game" does not include table
 10 41 games of chance or video machines which simulate table
10 42 games of chance, unless otherwise authorized by this
                    "Gambling game" does not include sports
    43 chapter.
 \overline{10} 44 betting.
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           Sec. 27. Section 99F.1, Code Supplement 2003, is
 10 46 amended by adding the following new subsection:
                                       "Gaming floor" means that
 10 47
            <u>NEW SUBSECTION</u>. 10A.
 10 48 portion of an excursion gambling boat or racetrack
 10 49 enclosure in which gambling games are conducted as
 10 50 designated by the commission.
11 1 Sec. 28. Section 99F.1, subsection 12, Code
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        Supplement 2003, is amended to read as follows:
        12. "Holder of occupational license" means a person licensed by the commission to perform an
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        occupation which the commission has identified as
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     6 requiring a license to engage in the excursion
        gambling boat gambling industry in Iowa.

Sec. 29. Section 99F.1, Code Supplement 2003, is
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        amended by adding the following new subsection:
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           14A.
                  "Moored barge" means a floating barge or
        vessel that is not self=propelled.
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           Sec. 30. Section 99F.1, subsection 16, Code
 11 13 Supplement 2003, is amended to read as follows:
 11 14
            16. "Racetrack enclosure" means all real property
    15 utilized for the conduct of a race meeting, including
 11 16 the \underline{racetrack}, grandstand, \underline{clubhouse}, \underline{turf} \underline{club}, or 11 17 other areas of a licensed racetrack which an
11 18 individual may enter only upon payment of an admission
11 19 fee, or upon payment by another, at any time, based
-11 20 upon the individual's admittance, or upon presentation
11 21 of authorized credentials. "Racetrack enclosure" also
11 22 means concession stands, offices, barns, kennels and
    23 barn areas, employee housing facilities, parking lots,
 11 24 and any additional areas designated by the commission.
11 25 Sec. 31. Section 99F.4, subsection 2, Code 2003,
 11 26 is amended to read as follows:
11 27 2. To license qualified sponsoring organizations, 11 28 to license the operators of excursion gambling boats,
 11 29 to identify occupations within the excursion gambling
 11 30 boat operations which require licensing, and to adopt 11 31 standards for licensing the occupations including
 11 32 establishing fees for the occupational licenses and
 11 33 licenses for qualified sponsoring organizations. The
 11 34 fees shall be paid to the commission and deposited in 11 35 the general fund of the state. All revenue received
 11 36 by the commission under this chapter from license fees
        and admission regulatory fees shall be deposited in the general fund of the state and shall be subject to
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        the requirements of section 8.60.
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           Sec. 32. Section 99F.4, subsection 6, Code 2003,
 11 41 is amended to read as follows:
 11 42
           6. To investigate alleged violations of this
 11 43 chapter or the commission rules, orders, or final
 11 44 decisions and to take appropriate disciplinary action
 11 45 against a licensee or a holder of an occupational
 11 46 license for a violation, or institute appropriate
 11 47 legal action for enforcement, or both. <u>Information</u> 11 48 gathered during an investigation is confidential
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    49 during the pendency of the investigation.
            Sec. 33. Section 99F.4, subsection 18, Code 2003,
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        is amended to read as follows:
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           18. To provide for the continuous videotaping
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      3 <u>recording</u> of all gambling activities on an excursion
     4 gambling boat. The videotaping recording shall be 5 performed under guidelines set by rule of the division
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      6 of criminal investigation and the rules may require
        that all or part of the original tapes recordings be
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     8 submitted to the division on a timely schedule.
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          Sec. 34. Section 99F.4, subsection 20, Code 2003,
 12 10 is amended by striking the subsection.
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Section 99F.4, Code 2003, is amended by 12 11 Sec. 35. 12 12 adding the following new subsections: 12 13 <u>NEW SUBSECTION</u>. 23. To require licensees to 12 14 establish a process to allow a person to be 12 15 voluntarily excluded for life from an excursion 12 16 gambling boat and all other licensed facilities under 12 17 this chapter and chapter 99D. The process established 12 18 shall require that a licensee disseminate information 12 19 regarding persons voluntarily excluded to all 12 20 licensees under this chapter and chapter 99D. 12 21 state and any licensee under this chapter or chapter 12 22 99D shall not be liable to any person for any claim 12 23 which may arise from this process. In addition to any 12 24 other penalty provided by law, any money or thing of 12 25 value that has been obtained by, or is owed to, a 12 26 voluntarily excluded person by a licensee as a result 12 27 of wagers made by the person after the person has been 12 28 voluntarily excluded shall not be paid to the person 12 29 but shall be deposited into the gambling treatment 12 30 fund created in section 135.150. 12 31 NEW SUBSECTION. 24. To approve a licensee's 12 32 application to operate as a moored barge, an excursion 12 33 boat that will cruise, or an excursion boat that will 12 34 not cruise, as submitted pursuant to section 99F.7. 12 35 NEW SUBSECTION. 25. To conduct a socioeconomic To conduct a socioeconomic 12 36 study on the impact of gambling on Iowans, every eight 12 37 years beginning in calendar year 2008, and issue a 12 38 report on that study. The commission shall ensure 12 39 that the results of each study are readily accessible 12 40 to the public. 12 41

Sec. 36. Section 99F.4A, subsection 4, Code 2003, 12 42 is amended to read as follows:

12 43 4. The <u>regulatory</u> fee imposed in section 99D.14, 12 44 subsection 2, shall be collected for admission to from 12 45 a licensee of a racetrack enclosure where gambling 12 46 games are licensed to operate in lieu of the admission 12 47 <u>regulatory</u> fee imposed in section 99F.10. 12 48

Sec. 37. Section 99F.4A, subsection 8, Code 2003, 12 49 is amended by striking the subsection and inserting in

12 50 lieu thereof the following:

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8. The commission shall, upon the immediate payment of the applicable table games license fee and 13 13 3 submission to the commission by June 1, 2005, of an 13 4 application by a licensee of a pari=mutuel dog or 5 horse racetrack licensed to conduct gambling games at 13 6 a pari=mutuel racetrack enclosure, issue a license to 13 the licensee to conduct table games of chance, including video machines that simulate table games of 9 chance, at the pari=mutuel racetrack enclosure subject 13 10 to the requirements of this subsection. However, a 13 11 table games license may only be issued to a licensee 13 12 required to pay a table games license fee of three 13 13 million dollars under this subsection if the licensee, 13 14 and all other licensees of an excursion gambling boat 13 15 in that county, file an agreement with the commission 13 16 authorizing the granting of a table games license 13 17 under this subsection and permitting all licensees of 13 18 an excursion gambling boat to operate a moored barge 13 19 as of a specific date. The licensee shall be granted 13 20 a table games license by the commission without 13 21 conducting a separate referendum authorizing table 13 22 games upon payment of the applicable license fee to 13 23 the commission which table games license fee may be 13 24 offset by the licensee against taxes imposed on the 13 25 licensee by section 99F.11, to the extent of twenty 13 26 percent of the table games license fee paid pursuant 13 27 to this subsection for each of five consecutive fiscal 13 28 years beginning with the fiscal year beginning July 1, 13 29 2008. Fees paid pursuant to this subsection are not 13 30 refundable to the licensee. A licensee shall not be 13 31 required to pay a fee to renew a table games license 13 32 issued pursuant to this subsection. Moneys collected 13 33 by the commission from a table games license fee paid 13 34 under this subsection shall be deposited in the 13 35 rebuild Iowa infrastructure fund created in section

13 36 8.57. 13 37 For purposes of this subsection, the applicable 13 38 license fee for a licensee shall be three million 13 39 dollars if the adjusted gross receipts from gambling 13 40 games for the licensee in the previous fiscal year was 13 41 less than one hundred million dollars, and shall be

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13 42 ten million dollars if the adjusted gross receipts
 13 43 from gambling games for the licensee in the previous
 13 44 fiscal year was one hundred million dollars or more.
 13 45
             Sec. 38. Section 99F.5, subsection 1, Code 2003,
 13 46 is amended to read as follows:
 13 47
             1. A qualified sponsoring organization may apply
 13 48 to the commission for a license to conduct gambling
 13 49 games on an excursion gambling boat as provided in
 13 50 this chapter. A person may apply to the commission
 14
      1 for a license to operate an excursion gambling boat.
 14
      2 An operating agreement entered into on or after the
14
14
         effective date of this section of this Act between a
     <u>4 qualified sponsoring organization and an operator</u>
14
14
14
      5 shall provide for a minimum distribution by the 6 qualified sponsoring organization for educational
     7 civic, public, charitable, patriotic, or religious
     8 uses as defined in section 99B.7, subsection 3, 9 paragraph "b", that averages at least three percent of
14
14
    10 the adjusted gross receipts for each license year.
 14 11 The application shall be filed with the administrator
 14 12 of the commission at least ninety days before the
 14 13 first day of the next excursion season as determined
 14 14 by the commission, shall identify the excursion
 14 15 gambling boat upon which gambling games will be
14 16 authorized, shall specify the exact location where the
 14 17 excursion gambling boat will be docked, and shall be
 14 18 in a form and contain information as the commission
 14 19 prescribes.
                         The minimum passenger capacity of an
 14 20 excursion gambling boat is two hundred fifty persons.
 14 21 Sec. 39. Section 99F.6, subsection 4, paragraph a, 14 22 Code Supplement 2003, is amended to read as follows: 14 23 a. Before a license is granted, the division of
 14 24 criminal investigation of the department of public
 14 25 safety shall conduct a thorough background
14 26 investigation of the applicant for a license to
 14 27 operate a gambling game operation on an excursion
 14 28 gambling boat. The applicant shall provide
 14 29 information on a form as required by the division of 14 30 criminal investigation. A qualified sponsoring
 14 31 organization licensed to operate gambling games under
 14 32 this chapter shall distribute the receipts of all
 14 33 gambling games, less reasonable expenses, charges,
 14 34 taxes, fees, and deductions allowed under this
 14 35 chapter, as winnings to players or participants or
 14 36 shall distribute the receipts for educational, civic,
 14 37 public, charitable, patriotic, or religious uses as 14 38 defined in section 99B.7, subsection 3, paragraph "b".
 14 39 <u>However</u>, a licensee to conduct gambling games under 14 40 this chapter shall, unless an operating agreement for
14 41 an excursion gambling boat otherwise provides,
 14 42 distribute at least three percent of the adjusted 14 43 gross receipts for each license year for educational.
 14 44 civic, public, charitable, patriotic, or religious 14 45 uses as defined in section 99B.7, subsection 3,
14 46 paragraph "b". However, if a licensee who is also 14 47 licensed to conduct pari=mutuel wagering at a horse
 14 48 racetrack has unpaid debt from the pari=mutuel
 14 49 racetrack operations, the first receipts of the 14 50 gambling games operated within the racetrack enclosure
     1 less reasonable operating expenses, taxes, and fees 2 allowed under this chapter shall be first used to pay
 15
 15
 15
      3 the annual indebtedness. The commission shall
 15
      4 authorize, subject to the debt payments for horse
      5 racetracks and the provisions of paragraph "b" for dog
 15
      6 racetracks, a licensee who is also licensed to conduct 7 pari=mutuel dog or horse racing to use receipts from
 15
 15
 15
      8 gambling games within the racetrack enclosure to
 15
         supplement purses for races particularly for Iowa=bred
 15 10 horses pursuant to an agreement which shall be
 15 11 negotiated between the licensee and representatives of
 15 12 the dog or horse owners. For each agreement
 15 13 concerning purses for horse racing beginning on or
15 14 after January 1, 2006, and ending before January 1,
15 15 2021, the agreement shall provide that total annual
     16 purses for horse racing at every racetrack enclosure 17 including any other qualified harness racing track
    18 facility as may be approved or as approved by the 19 commission, that is subject to the agreement, shall k 20 no less than eleven percent of the first two hundred
    21 million dollars of net receipts, and six percent of 22 net receipts above two hundred million dollars. A
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15 23 qualified sponsoring organization shall not make a 15 24 contribution to a candidate, political committee, 15 25 candidate's committee, state statutory political 15 26 committee, county statutory political committee, 15 27 national political party, or fund=raising event as 15 28 these terms are defined in section 68A.102. The 15 29 membership of the board of directors of a qualified 15 30 sponsoring organization shall represent a broad 15 31 interest of the communities. For purposes of this 32 paragraph, "net receipts" means the annual adjusted 15 33 gross receipts from all gambling games less the annual 15 34 amount of money pledged by the owner of the lower of the project approved to receive vision Iowa 34 amount of money pledged by the owner of the facility 15 36 15 37 funds as of July 1, 2004.
Sec. 40. Section 99F.7, subsection 1, Code 2003, 15 38 is amended to read as follows: 15 39 1. If the commission is satisfied that this 15 40 chapter and its rules adopted under this chapter 15 41 applicable to licensees have been or will be complied 15 42 with, the commission shall issue a license for a 15 43 period of not more than three years to an applicant to 15 44 own a gambling game operation and to an applicant to 15 45 operate an excursion gambling boat. The commission 15 46 shall decide which of the gambling games authorized 15 47 under this chapter it the commission will permit. 15 48 commission shall decide the number, location, and type 15 49 of excursion gambling boats licensed under this 15 50 chapter for operation on the rivers, lakes, and 16 1 reservoirs of this state. An excursion gambling boat
16 2 may be located or operated on a natural or man=made
16 3 lake or reservoir if the lake or reservoir is of
16 4 sufficient size to accommodate recreational activity.
16 5 An excursion gambling boat may also be located on a 16 16 6 man=made basin or other body of water adjacent to a river, provided it is located no more than one 16 8 thousand feet from the high water mark of the river 16 9 as established by the commission in consultation with 16 10 the United States army corps of engineers, the 16 11 department of natural resources, or other appropriate
16 12 regulatory agency. The license shall set forth, as
16 13 applicable, the name of the licensee, the type of
16 14 license granted, the place where the excursion 16 15 gambling boats will operate and dock, and the time and 16 16 number of days during the excursion season and the off 16 17 season when gambling may be conducted by the licensee. 16 18 The 16 19 a. An applicant for a license to conduct 16 20 16 21 gambling games on an excursion gambling boat, and each licensee by June 30 of each year thereafter, shall 16 22 indicate and have noted on the license whether the 23 applicant or licensee will operate a moored barge, an 24 excursion boat that will cruise, or an excursion boat 16 16 25 that will not cruise subject to the requirements of 16 26 this subsection. If the applicant or licensee will 27 operate a moored barge or an excursion boat that will 28 not cruise, the requirements of this chapter 16 29 concerning cruising shall not apply. If the 16 30 applicant's or licensee's excursion boat will comply the applicant or licensee shall comply with the cruise, 16 32 cruising requirements of this chapter and the 16 33 commission shall not allow <u>such</u> a licensee to conduct 16 34 gambling games on an excursion gambling boat while 16 35 docked during the off season if the licensee does not 16 36 operate gambling excursions for a minimum number of 16 37 days during the excursion season. The commission may 16 38 delay the commencement of the excursion season at the 16 39 request of a licensee. b. However, an applicant or licensee of an excursion gambling boat that is located in the 16 40 16 16 42 county as a racetrack enclosure conducting gambling 16 43 games shall not be allowed to operate a moored barge 16 44 unless either of the following applies:
16 45 (1) If the licensee is located in the same county 16 46 as a racetrack enclosure conducting gambling games 16 47 that had less than one hundred million dollars in 16 48 adjusted gross receipts from gambling games for the 16 49 fiscal year beginning July 1, 2003, the licensee of an 50 excursion gambling boat is authorized to operate a moored barge if the licensee, the licensee of the racetrack enclosure, and all other licensees of an 3 excursion gambling boat in that county file an

agreement with the commission agreeing to the granting 5 of a table games license under this chapter and 17 6 permitting all licensees of an excursion gambling boat
17 7 in the county to operate a moored barge as of a
17 8 specific date.
17 9 (2) If the licensee is located in the same county
17 10 as a racetrack enclosure conducting gambling games
17 11 that had one hundred million dollars or more in
17 12 adjusted gross receipts from gambling games for the
17 13 fiscal year beginning July 1, 2003, the licensee of an
17 14 excursion gambling boat is authorized to operate a
17 15 moored barge the earlier of July 1, 2007, or the date
17 16 any form of gambling games, as defined in this
17 17 chapter, is authorized in any state that is contiguous
17 18 to the county where the licensee is located.
17 19 Sec. 41. Section 99F.7, subsection 3, Code 2003,
17 20 is amended to read as follows: 6 permitting all licensees of an excursion gambling boat 17 20 is amended to read as follows: 17 21 3. The commission shall re 3. The commission shall require, as a condition of 17 22 granting a license, that an applicant to operate an 17 23 excursion gambling boat develop, and as nearly as 17 24 practicable, recreate boats or moored barges that 17 25 resemble Iowa's riverboat history. 17 26 Sec. 42. Section 99F.7, subsection 4, Code 2003, 17 27 is amended to read as follows: 17 28 4. The commission shall re 4. The commission shall require that an applicant 17 29 utilize Iowa resources, goods and services in the 17 30 operation of an excursion gambling boat. The 17 31 commission shall develop standards to assure that a 17 32 substantial amount of all resources and goods used in 17 33 the operation of an excursion gambling boat come 17 34 <u>emanate</u> from <u>and are made in</u> Iowa and that a 17 35 substantial amount of all services and entertainment 17 36 be are provided by Iowans. 17 37 Sec. 43. Section 99F.7, subsection 5, paragraph b, 17 38 Code 2003, is amended by striking the paragraph. 17 39 Sec. 44. Section 99F.7, subsection 9, Code 2003, 17 40 is amended to read as follows: 17 41 9. a. A licensee shall not loan to any person 17 42 money or any other thing of value for the purpose of 17 43 permitting that person to wager on any game of chance. b. A licensee shall not permit a financial institution, vendor, or other person to dispense 17 44 17 46 or credit through an electronic or mechanical device 17 47 including but not limited to a satellite terminal, as 17 48 defined in section 527.2, that is located on the 17 49 gaming floor. 17 50 Section 99F.7, subsection 10, paragraph Sec. 45. e, Code 2003, is amended to read as follows: 18 e. After a referendum has been held which defeated 18 18 3 a proposal to conduct gambling games on excursion 18 4 gambling boats or which defeated a proposal to conduct 18 5 gambling games at a licensed pari=mutuel racetrack 6 enclosure as provided in this section, another 18 18 7 referendum on a proposal to conduct gambling games on 8 an excursion gambling boat or at a licensed pari= 9 mutuel racetrack shall not be held for at least two 18 18 18 10 <u>eight</u> years. 18 11 Sec. 46. Section 99F.7, subsection 13, Code 2003, 18 12 is amended to read as follows: 18 13 13. An excursion gambling boat operated on inland 18 14 waters of this state or an excursion boat that has 18 been removed from navigation and is designated as a 18 16 permanently moored vessel by the United States coast 18 17 guard shall be subject to the exclusive jurisdiction 18 of the department of natural resources and meet all of 18 19 the requirements of chapter 462A and is further 18 20 subject to an inspection of its sanitary facilities to 18 21 protect the environment and water quality before a 18 22 certificate of registration is issued by the 18 23 department of natural resources or a license is issued 18 24 or renewed under this chapter. 18 25 Sec. 47. Section 99F.9, subsection 5, Code 2003, 18 26 is amended to read as follows: 18 27 5. A person under the age of twenty=one years 18 28 shall not make <u>or attempt to make</u> a wager on an 18 29 excursion gambling boat <u>or in a racetrack enclosure</u> 18 30 and shall not be allowed in the area on the gaming 18 31 floor of the an excursion gambling boat < 18 32 is being conducted or in the wagering area, as defined 18 33 in section 99D.2, or on the gaming floor of a 18 34 racetrack enclosure. However, a person eighteen years

18 35 of age or older may be employed to work in a gambling

18 36 area on the gaming floor of an excursion gambling boat

18 37 or in the wagering area or on the gaming floor of a

18 38 racetrack enclosure. A person who violates this

18 39 subsection with respect to making or attempting to

18 40 make a wager commits a scheduled violation under

18 41 section 805.8C, subsection 4.

18 42 Sec. 48. Section 99F.10, Code 2003, is amended to

18 43 read as follows:

18 43 read as follows: 18 44 99F.10 ADMISSION <u>REGULATORY</u> FEE == TAX == LOCAL 18 45 FEES.

- 18 46 1. A qualified sponsoring organization conducting 18 47 gambling games on an excursion gambling boat licensed 18 48 under section 99F.7 shall pay the tax imposed by 18 49 section 99F.11.
- 18 50 2. An excursion <u>gambling</u> boat licensee shall pay 19 1 to the commission an admission a regulatory fee for 19 2 each person embarking on an excursion gambling boat 19 3 with a ticket of admission to be charged as provided 19 4 in this section. The admission fee shall be set by 19 5 the commission.
- 19 6 a. If tickets are issued which are good for more

 19 7 than one excursion, the admission fee shall be paid

 19 8 for each person using the ticket on each excursion

 19 9 that the ticket is used.
- 19 10 b. If free passes or complimentary admission
 19 11 tickets are issued, the licensee shall pay the same
 19 12 fee upon these passes or complimentary tickets as if
 19 13 they were sold at the regular and usual admission
 19 14 rate.
- 19 15 c. However, the excursion boat licensee may issue—19 16 fee=free passes to actual and necessary officials and—19 17 employees of the licensee or other persons actually—19 18 working on the excursion gambling boat.
- 19 19 d. The issuance of fee-free passes is subject to
 19 20 the rules of the commission, and a list of all persons
 19 21 to whom the fee-free passes are issued shall be filed
 19 22 with the commission.
- 19 23 3. In addition to the admission fee charged under

 19 24 subsection 2 and subject Subject to approval of

 19 25 excursion gambling boat docking by the voters, a city

 19 26 may adopt, by ordinance, an admission fee not

 19 27 exceeding fifty cents for each person embarking on an

 19 28 excursion gambling boat docked within the city or a

 19 29 county may adopt, by ordinance, an admission fee not

 19 30 exceeding fifty cents for each person embarking on an

 19 31 excursion gambling boat docked outside the boundaries

 19 32 of a city. The admission revenue received by a city

 19 33 or a county shall be credited to the city general fund

 19 34 or county general fund as applicable.
- 19 35 4. In determining the license fees and state 19 36 admission regulatory fees to be charged as provided 19 37 under section 99F.4 and this section, the commission 19 38 shall use the amount appropriated to the commission 19 39 plus the cost of salaries for no more than two special 19 40 agents and no more than four gaming enforcement 19 41 officers for each excursion gambling boat, plus any <u>19</u> 19 42 direct and indirect support costs for the agents and 19 43 officers, for the division of criminal investigation's 19 44 excursion gambling boat activities and an amount for 45 all licensees, not to exceed one hundred twenty=five 46 thousand dollars, representing other associated costs -19 47 of the division, as the basis for determining the 19 48 amount of revenue to be raised from the license fees 19 49 and admission regulatory fees. The division's salary 50 costs shall be limited to eighty percent of the salary 20 1 costs for special agents and eighty percent of the 20 2 salary costs for gaming enforcement for personnel -20 - 3 assigned to excursion gambling boats who enforce laws 4 and rules adopted by the commission. -2.0
 - 5 5. No other license tax, permit tax, occupation 6 tax, excursion fee, or taxes on fees shall be levied, 7 assessed, or collected from a licensee by the state or 8 by a political subdivision, except as provided in this 9 chapter.
 - 20 10 6. No other excise tax shall be levied, assessed, 20 11 or collected from the licensee relating to gambling 20 12 excursions or admission charges by the state or by a 20 13 political subdivision, except as provided in this 20 14 chapter.

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20 15 7. In addition to any other fees required by this

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16 chapter, a person awarded a new license to conduct
    17 gambling games pursuant to section 99F.7 on or after
    18 January 1, 2004, shall pay the applicable initial
     19 license fee to the commission as provided by this
 20 20 subsection. A person awarded a new license shall pay 20 21 one=third of the applicable initial license fee
    22 immediately upon the granting of the license, one=
23 third of the applicable initial license fee within one
24 year of the granting of the license, and the remaining
25 one=third of the applicable initial license within
 20
     26 two years of the granting of the license. However,
    27 the license fee provided for in this subsection shall
 20
    28 not apply when a licensed facility is sold and a new
     29 license is issued to the purchaser. Fees paid 30 pursuant to this subsection are not refundable
 20 31 licensee. For purposes of this subsection, the
    32 applicable initial license fee shall be five million 33 dollars if the population of the county where the
 20
 20
    34 licensee shall conduct gambling games is fifteen
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    35 thousand or less based upon the most recent federal 36 decennial census, shall be ten million dollars if the
     37 population of the county where the licensee shall
 20
 20
    38 conduct gambling games is more than fifteen thousand
    39 and less than one hundred thousand based upon the most 40 recent federal decennial census, and shall be twenty
 20
 20 41 million dollars if the population of the county where
    42 the licensee shall conduct gambling games is one
 20 43 hundred thousand or more based upon the most recent 20 44 federal decennial census. Moneys collected by the 20 45 commission from an initial license fee paid under t
20
    46 subsection shall be deposited in the rebuild Iowa 47 infrastructure fund created in section 8.57.
 20 48
           Sec. 49. Section 99F.11, Code Supplement 2003, is
 20 49 amended to read as follows:
            99F.11 WAGERING TAX == RATE == ALLOCATIONS.
 20 50
            1. A tax is imposed on the adjusted gross receipts
 21
     2 received annually each fiscal year from gambling games 3 authorized under this chapter at the rate of five 4 percent on the first one million dollars of adjusted
 2.1
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 2.1
     5 gross receipts, and at the rate of ten percent on the
 2.1
     6 next two million dollars of adjusted gross receipts. - 7
-21
      7 and at the rate of twenty percent
           2. The tax rate imposed each fiscal year on any
 21
      9 amount of adjusted gross receipts over three million
 2.1
 21 10 dollars. However, beginning January 1, 1997, the rate
    11 on any amount of adjusted gross receipts over three
-21 12 million dollars from gambling games at racetrack
    13 enclosures is twenty-two percent and shall increase by
21 14 two percent each succeeding calendar year until the
21 15 rate is thirty=six percent. shall be as follows:
 21 16
               If the licensee is an excursion gambling boat,
            a.
     17
 21
        twenty=two percent.
            b. If the licensee is a racetrack enclosure
 21 18
    19 conducting gambling games and another licensee that is
     20 an excursion gambling boat is located in the same
        county, then the following rate, as applicable:
 21 22
            (1) If the licensee of the racetrack enclosure has
     23 not been issued a table games license during the 24 fiscal year or if the adjusted gross receipts from
    25 gambling games of the licensee in the prior fiscal
    26 year were less than one hundred million dollars,
     27 twenty=two percent.
           (2) If the licensee of the racetrack enclosure has
     29 been issued a table games license during the fiscal
     <u>30 year or prior fiscal year and the adjusted gross</u>
     31 receipts from gambling games of the licensee in the
    32 prior fiscal year were one hundred million dollars or
    33 more, twenty=two percent on adjusted gross receipts
34 received prior to the operational date and twenty=four
    35 percent on adjusted gross receipts received on or
    <u>36 after the operational date. For purposes of this</u>
     37 subparagraph, the operational date is the date the
    38 commission determines table games became operational
    39 at the racetrack enclosure.
        c. If the licensee is a racetrack enclosure
conducting gambling games and no licensee that is an
 21 42 excursion gambling boat is located in the same county,
    43 twenty=four percent.
            3. The taxes imposed by this section shall be paid
 21 45 by the licensee to the treasurer of state within ten
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21 46 days after the close of the day when the wagers were

21 47 made and shall be distributed as follows: 21 48 1. a. If the gambling excursion originated at a 21 49 dock located in a city, one-half of one percent of the 21 50 adjusted gross receipts shall be remitted to the 1 treasurer of the city in which the dock is located and 2.2 22 2 shall be deposited in the general fund of the city. 22 3 Another one=half of one percent of the adjusted gross 22 4 receipts shall be remitted to the treasurer of the 22 5 county in which the dock is located and shall be 6 deposited in the general fund of the county. 22 7 2. b. If the gambling excursion originated at a 8 dock located in a part of the county outside a city. 22 22 9 one=half of one percent of the adjusted gross receipts 22 22 10 shall be remitted to the treasurer of the county in 22 11 which the dock is located and shall be deposited in 22 12 the general fund of the county. Another one=half of 22 13 one percent of the adjusted gross receipts shall be 22 14 remitted to the treasurer of the Iowa city nearest to 22 15 where the dock is located and shall be deposited in 22 16 the general fund of the city. 3. c. Three=tenths One=half o 22 17 22 18 adjusted gross receipts shall be deposited in the 22 19 gambling treatment fund specified in section 99G.39, 22 20 subsection 1, paragraph "a" created in section d. One=half of one percent of the adjusted gross 23 receipts shall be deposited in the county endowment 22 24 fund created in section 15E.311. 4. e. The remaining amount of the adjusted gross 22 26 receipts tax shall be credited to the general fund of 22 27 the state. 22 28 Sec. 50. Section 99F.12, Code 2003, is amended to 22 29 read as follows: 22 30 99F.12 LICENSEES == RECORDS == REPORTS == 22 31 SUPERVISION. 22 32 1. A licensee shall keep its books and records so 22 33 as to clearly show all of the following: 22 34 1. a. The total number of admissions to gambling 22 35 excursions conducted by the licensee on each day, -22 36 including the number of admissions upon free passes or -22 37 complimentary tickets for each day of operation. 22 38 2. b. The amount received daily from admission 22 39 fees. 22 40 3. The total amount of money wagered during each excursion day and the adjusted gross receipts for the $\frac{-22}{}$ 22 42 each day of operation. 22 43 2. The licensee shall furnish to the commission 22 44 reports and information as the commission may require 22 45 with respect to its activities. The gross receipts 22 46 and adjusted gross receipts from gambling shall be 22 47 separately handled and accounted for from all other 22 48 moneys received from operation of an excursion 22 49 gambling boat or from operation of a racetrack 22 23 50 enclosure licensed to conduct gambling games. commission may designate a representative to board a 2 licensed excursion gambling boat or to enter 23 23 23 23 <u>3 racetrack enclosure licensed to conduct gambling</u> 4 games, who shall have full access to all places within 5 the enclosure of the boat or the racetrack enclosure, 23 6 who shall directly supervise the handling and 23 7 accounting of all gross receipts and adjusted gross 8 receipts from gambling, and who shall supervise and 9 check the admissions. The compensation of a 23 23 23 10 representative shall be fixed by the commission but 23 11 shall be paid by the licensee.
23 12 3. The books and records kept by a licensee as 23 13 provided by this section are public records and the 23 14 examination, publication, and dissemination of the 23 15 books and records are governed by the provisions of 23 16 chapter 22. 23 17 Section 99F.13, Code 2003, is amended to Sec. 51. 23 18 read as follows: 23 19 99F.13 ANNUAL AUDIT OF LICENSEE OPERATIONS. 23 20 Within ninety days after the end of the licensee's 23 21 fiscal year, the licensee shall transmit to the 23 22 commission an audit of the financial transactions and -23-23 condition of the licensee's total <u>gambling</u> operations, 23 24 including an itemization of all expenses and 23 25 subsidies. All audits shall be conducted by certified 23 26 public accountants registered or licensed in the state 23 27 of Iowa under chapter 542 who are selected by the

board of supervisors of the county in which the

29 licensee operates.

Sec. 52. Section 99F.17, subsections 5 and 6, Code

23 31 2003, are amended to read as follows: 23 32 5. The manufacturer or distributor of gambling 23 33 games or implements of gambling shall provide the 23 34 commission with a copy of the invoice written notice 23 35 showing the items shipped to the licensee and a copy 23 36 of the bill of lading. 23 37

6. Subsection 2 does not apply in the following

23 38 cases, if approved by the commission:

a. Gambling games or implements of gambling 23 39 23 40 previously installed on an excursion gambling boat in 23 41 23 42 a gambling location licensed in another jurisdiction.

b. Gambling games or implements of gambling 23 43 previously installed on an excursion gambling boat in 23 44 23 45 a gambling location licensed in this state.

Sec. 53. Section 99G.39, subsection 1, paragraph

23 46 a, Code Supplement 2003, is amended to read as 23 47 follows:

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a. An amount equal to three=tenths one=half of one 23 49 percent of the gross lottery revenue for the year 23 50 shall be deposited in a the gambling treatment fund in the office of the treasurer of state created in -24section 135.150. 24 24

Sec. 54. <u>NEW SECTION</u>. 135.150 GAMBLING TREATMENT 4 FUND.

1. A gambling treatment fund is created in the 6 state treasury under the control of the department. The fund consists of all moneys appropriated to the 8 fund. However, if moneys appropriated to the fund in 9 a fiscal year exceed six million dollars, the amount 24 10 exceeding six million dollars shall be transferred to 24 11 the rebuild Iowa infrastructure fund created in section 8.57. Moneys in the fund are appropriated to 24 13 the department for the purposes described in this 24 14 section.

2. Moneys appropriated to the department under 24 16 this section shall be for the purpose of operating a 24 17 gambling treatment program and shall be used for 24 18 funding of administrative costs and to provide 24 19 programs which may include, but are not limited to, 24 20 outpatient and follow-up treatment for persons 24 21 affected by problem gambling, rehabilitation and 24 22 residential treatment programs, information and 24 23 referral services, crisis call access, education and 24 24 preventive services, and financial management and 24 25 credit counseling services.

3. Notwithstanding section 12C.7, subsection 2, 24 27 interest or earnings on moneys deposited in the 24 28 gambling treatment fund shall be credited to the 24 29 gambling treatment fund. Notwithstanding section 24 30 8.33, moneys credited to the gambling treatment fund 24 31 shall not revert to the fund from which appropriated 24 32 at the close of a fiscal year.

4. The department shall report semiannually to the 24 34 legislative government oversight committees regarding the operation of the gambling treatment fund and program. The report shall include, but is not limited to, information on revenues and expenses related to the fund for the previous period, fund balances for the period, and moneys expended and grants awarded for operation of the gambling treatment program.

24 40 Sec. 55. Section 421.17, Code Supplement 2003, is 24 42 amended by adding the following new subsection:

NEW SUBSECTION. 28. To administer the county endowment fund created in section 15E.311.

Sec. 56. <u>NEW SECTION</u>. 725.19 GAMBLING BY MINORS.

Any person under the age of twenty=one years 24 47 shall not make or attempt to make a gambling wager, 24 48 except as permitted under chapter 99B. A person who violates this subsection commits a scheduled violation 24 50 under section 805.8C, subsection 4.

2. A person who knowingly permits a person under the age of twenty=one years to make or attempt to make a gambling wager, except as permitted under chapter 99B, is guilty of a simple misdemeanor.

Sec. 57. Section 805.8C, Code 2003, is amended by

adding the following new subsection: 6

NEW SUBSECTION. 4. GAMBLING VIOLATIONS. For 8 violations of legal age for gambling wagering under

9 section 99D.11, subsection 7, section 99F.9, 25 10 subsection 5, and section 725.19, subsection 1, the 25 11 scheduled fine is five hundred dollars. Failure to 25 12 pay the fine by a person under the age of eighteen 25 13 shall not result in the person being detained in a 25 14 secure facility.

Sec. 58. Sections 99D.14A and 99F.10A, Code 2003, 25 16 are repealed.

Sec. 59. SOCIOECONOMIC STUDY OF GAMBLING.

- The legislative council shall commission a 25 19 study by an independent entity to study the 25 20 socioeconomic impact of gambling on Iowans. 25 21 legislative council is authorized to expend up to one 25 22 hundred thousand dollars to complete the study. legislative council shall make the report available by
- 25 24 July 1, 2005. 25 25 2. The study shall be an empirical study and 25 26 include, but not be limited to, the following matters: a. The economic impact of gambling on communities

25 28 and other businesses.

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- b. The impact of gambling, if any, on family finances and family relations in general.
 - c. Demographic information on gamblers.
- 25 32 d. An assessment of the impact, if any, of 25 33 pathological or problem gambling on individuals, 25 34 families, social institutions, criminal activity, and 25 35 the economy.
 - e. Other relevant issues to fully examine the socioeconomic impact of gambling.
- TRANSITION PROVISIONS == EXCURSION Sec. 60. 25 39 GAMBLING BOAT CRUISING. A licensee authorized to 25 40 conduct gambling games on an excursion gambling boat 25 41 pursuant to chapter 99F as of January 1, 2004, shall, 25 42 no later than June 1, 2004, notify the racing and 25 43 gaming commission in writing if the licensee intends 25 44 to operate a moored barge, an excursion boat that will 25 45 cruise, or an excursion boat that will not cruise. 25 46 However, a licensee that is located in the same county 25 47 as a licensee of a racetrack enclosure that conducts 25 48 gambling games that had less than one hundred million 25 49 dollars in adjusted gross receipts from gambling games 25 50 for the fiscal year beginning July 1, 2003, shall only 1 be allowed to operate a moored barge if the licensee, the licensee of the racetrack enclosure, and all other licensees of an excursion gambling boat in that county 4 file an agreement with the commission agreeing to the 5 granting of a table games license under chapter 99F and permitting all licensees of an excursion gambling boat to operate a moored barge as of a specific date. 8 The racing and gaming commission shall make the election of each licensee under this section public by 26 10 June 7, 2004. A licensee who initially elects to 26 11 operate a moored barge or an excursion boat that will 26 12 not cruise may, no later than June 30, 2004, change its election and elect to operate an excursion boat that will cruise.
 - Sec. 61. 2004=2005=2006 REBUILD IOWA INFRASTRUCTURE ASSESSMENTS.
- 1. Notwithstanding any provision of chapter 99F to 26 18 the contrary and in addition to taxes imposed pursuant 26 19 to section 99F.11, a rebuild Iowa infrastructure 26 20 assessment is imposed on each licensee authorized to 26 21 conduct gambling games pursuant to chapter 99F as of
- 26 22 January 1, 2004, as provided in this section. 26 23 2. a. A 2004 rebuild Iowa infrastructure A 2004 rebuild Iowa infrastructure 26 23 2. a. A 2004 repulled lower infrastructure 26 24 assessment is imposed for each licensee of a pari= 26 25 mutuel racetrack enclosure licensed to conduct 26 26 gambling games at the racetrack enclosure under 26 27 chapter 99F as of January 1, 2004, and determined as 26 28 follows:
- If the adjusted gross receipts from gambling (1)26 30 games of the licensee in the prior fiscal year were 26 31 less than one hundred million dollars and another 26 32 licensee that is an excursion gambling boat is located 26 33 in the same county as the licensee, then the 26 34 assessment on that licensee shall be one million six 26 35 hundred fourteen thousand five hundred sixty=nine 26 36 dollars.
- 26 37 If the adjusted gross receipts from gambling 26 38 games of the licensee in the prior fiscal year were 26 39 one hundred million dollars or more and another

26 40 licensee that is an excursion gambling boat is located 26 41 in the same county as the licensee, then the 26 42 assessment on that licensee shall be ten million 26 43 eighty=seven thousand six hundred eighty dollars.

(3) If no licensee of an excursion gambling boat 26 44 26 45 is located in the same county as the licensee, then 26 46 the assessment on that licensee shall be eleven 26 47 million eight hundred sixty=eight thousand three 26 48 hundred fifty=two dollars. 26 49

The 2004 rebuild Iowa infrastructure assessment 26 50 provided in this subsection shall be paid by June 1, 2004. The racing and gaming commission shall revoke the license to conduct gambling games of any licensee that fails to pay the 2004 rebuild Iowa infrastructure assessment as provided in this subsection.

3. a. A 2005 rebuild Iowa infrastructure 6 assessment is imposed at the rate of two and one hundred fifty=two thousandths percent on the estimated 8 adjusted gross receipts amount for each licensee of an 9 excursion gambling boat licensed to conduct gambling 27 10 games on an excursion gambling boat under chapter 99F 27 11 as of January 1, 2004. For purposes of this 27 12 subsection, the estimated adjusted gross receipts 27 13 amount for a licensee is the amount of adjusted gross 27 14 receipts from gambling games the revenue estimating 27 15 conference estimated, as of the most recent meeting of 27 16 the revenue estimating conference held prior to the 27 17 effective date of this section of this Act, a facility 27 18 licensed to conduct gambling games on an excursion 27 19 gambling boat will receive for the fiscal year

27 20 beginning July 1, 2004, and ending June 30, 2005. 27 21 b. The 2005 rebuild Iowa infrastructure assessment 27 22 provided in this subsection shall be paid by June 1, 27 23 2005, which assessment may be offset by the licensee 27 24 against taxes imposed on the licensee by section 27 25 99F.11 to the extent of twenty percent of the 27 26 assessment paid pursuant to this subsection for each 27 27 of five consecutive fiscal years beginning with the 27 28 fiscal year beginning July 1, 2010. The racing and 27 29 gaming commission shall revoke the license to conduct 30 gambling games of any licensee that fails to pay the 27 31 2005 rebuild Iowa infrastructure assessment as 27 32 provided in this subsection.

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27 33 4. a. A 2006 rebuild Iowa infrastructure 27 34 assessment is imposed at the rate of two and one 27 35 hundred fifty=two thousandths percent on the estimated 27 36 adjusted gross receipts amount for each licensee of an 27 37 excursion gambling boat licensed to conduct gambling 27 38 games on an excursion gambling boat under chapter 99F 27 39 as of January 1, 2004. For purposes of this 27 40 subsection, the estimated adjusted gross receipts 27 41 amount for a licensee is the amount of adjusted gross 27 42 receipts from gambling games the revenue estimating 27 43 conference estimated, as of the most recent meeting of 27 44 the revenue estimating conference held prior to the 27 45 effective date of this section of this Act, a facility 27 46 licensed to conduct gambling games on an excursion 27 47 gambling boat will receive for the fiscal year 27 48 beginning July 1, 2004, and ending June 30, 2005.

27 49 b. The 2006 rebuild Iowa infrastructure assessment 27 50 provided in this subsection shall be paid by June 1, 2006, which assessment may be offset by the licensee 2 against taxes imposed on the licensee by section 3 99F.11 to the extent of twenty percent of the 4 assessment paid pursuant to this subsection for each 5 of five consecutive fiscal years beginning with the 6 fiscal year beginning July 1, 2010. The racing and gaming commission shall revoke the license to conduct gambling games of any licensee that fails to pay the 8 2006 rebuild Iowa infrastructure assessment as 28 10 provided in this subsection.

28 11 The 2004, 2005, and 2006 rebuild Iowa 28 12 infrastructure assessments imposed by this section 28 13 shall be deposited in the rebuild Iowa infrastructure 28 14 fund created in section 8.57.

28 15 Sec. 62. RACETRACK LICENSEE RENEWALS == AUCTION OF 28 16 LICENSES.

28 17 1. Notwithstanding any provisions of chapter 99D 28 18 or 99F to the contrary, the racing and gaming 28 19 commission shall not renew or reissue licenses to 28 20 conduct pari=mutuel wagering and gambling games for

28 21 licensees of racetrack enclosures in Polk county and 28 22 Dubuque county.

- 28 23 2. Notwithstanding any provision of chapter 99D or 28 24 99F to the contrary, the racing and gaming commission 28 25 shall establish a process by which licenses for Polk 28 26 county and for Dubuque county shall be issued to a 28 27 person otherwise authorized to hold a license under 28 28 chapters 99D and 99F pursuant to an auction conducted 28 29 by the commission. The auction process shall provide 28 30 that a minimum bid for the issuance of a license to a 28 31 person to operate a licensed facility in Polk county 28 32 shall be one hundred fifty million dollars, and the 28 33 minimum bid for the issuance of a license to a person 28 34 to operate a licensed facility in Dubuque county shall 28 35 be ten million dollars.
- 3. If a license to conduct pari=mutuel wagering at 28 37 a racetrack enclosure is issued pursuant to this 28 38 section, the holder of the newly issued license shall 28 39 be authorized to receive a license to conduct gambling 28 40 games at the racetrack enclosure notwithstanding any 28 41 provision of chapter 99F to the contrary.

EFFECTIVE DATE == RETROACTIVE Sec. 63.

28 43 APPLICABILITY.

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- 28 44 1. The section of this Act amending section 99D.6 28 45 takes effect April 1, 2004. If this Act is enacted 28 46 after April 1, 2004, the section of this Act amending 28 47 section 99D.6, being deemed of immediate importance, 28 48 takes effect upon enactment and is retroactively 28 49 applicable to April 1, 2004, and is applicable on and 28 50 after that date.
 - The section of this Act amending section 2 99D.25, subsection 5, takes effect April 1, 2004. 3 this Act is enacted after April 1, 2004, the section 4 of this Act amending section 99D.25, subsection 5, 5 being deemed of immediate importance, takes effect 6 upon enactment and is retroactively applicable to 7 April 1, 2004, and is applicable on and after that date.
- The section of this Act amending section 99F.1, 3. 29 10 subsection 10, being deemed of immediate importance, takes effect upon enactment.
- 4. The section of this Act amending section 29 13 99F.4A, subsection 8, being deemed of immediate 29 14 importance, takes effect upon enactment.
- 5. The section of this Act amending section 99F.5, 29 16 subsection 1, being deemed of immediate importance, takes effect upon enactment.
- 29 18 6. The section of this Act amending section 99F.7, 29 19 subsection 10, paragraph "e", being deemed of 29 20 immediate importance, takes effect upon enactment and 29 21 is retroactively applicable to referendums held on or 29 22 after January 1, 2002. 29 23
- 7. The section of this Act requiring a 29 24 socioeconomic study of gambling, being deemed of
- 29 25 immediate importance, takes effect upon enactment.
 29 26 8. The section of this Act establishing transition 29 27 provisions concerning excursion gambling boat 29 28 cruising, being deemed of immediate importance, takes 29 29 effect upon enactment
- 9. The section of this Act establishing 2004, 29 31 2005, and 2006 rebuild Iowa infrastructure assessments, being deemed of immediate importance, 29 33 takes effect upon enactment.
- 29 34 The section of this Act providing for 10. 29 35 racetrack licensee issuance and an auction of 29 36 licenses, being deemed of immediate importance, takes 29 37 effect upon enactment.>
 - #2. Title page, by striking lines 3 through 5 and

29 39 inserting the following: 29 40 including pari=mutuel wagering, horse purses and.