



[HF 785](#) – Amusement Concessions (LSB2171HV)
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Fiscal Note Version – New

Description

[House File 785](#) relates to amusement concessions. The Bill makes the following changes:

- Changes the definition of amusement concession to a game of skill or game of chance where the participant may win a prize (i.e., videogames).
- Changes the definition of “game of chance” to a game where the result is determined by chance.
- Changes the definition of a game of skill to a game where the possibility for a result favorable to the player increases with the player’s ability to perform a task (i.e., collecting symbols on a video screen).
- Requires amusement concession license applicants to submit their application and application fee for an amusement concession license at least 30 days before conducting amusement concession activities.
- Directs the Department of Inspections and Appeals (DIA) to adopt rules that set out that all amusement concession licenses and provisional licenses issued in calendar year 2020 shall remain valid until the date prescribed for the licenses on the date of issuance. This directive is retroactive to January 1, 2020.

The Bill is effective upon enactment.

Background

The Department of Public Safety (DPS) uses the DIA’s amusement device registration fee revenue, which is deposited into the Amusement Devices Special Fund, to fund 1.0 full-time equivalent position for an Investigator. In FY 2020, approximately \$400,000 was deposited into the Amusement Devices Special Fund. In the same year, approximately \$30,000 was collected in Amusement Concession License revenue. In FY 2020, more than 5,000 amusement devices were registered.

Assumptions

- Distributors of registered amusement devices may apply for an amusement concession license for their devices instead of registering the device as an amusement device.
- Amusement Concession License Fee revenue would increase by approximately \$270,000 under the Bill as each device is registered at a fee of \$50 per device, and amusement device registrations, amusement device distributor registrations, amusement device manufacturer registrations, and amusement device owner registration fee revenue (each registration is assessed by payor and at varying amounts) would decrease by approximately \$400,000.

Fiscal Impact

House File 785 will result in an estimated net decrease of \$130,000 annually to the Amusement Devices Special Fund beginning in FY 2022, which would reduce funding to the DPS for enforcement activities.

Sources

I/3 State Accounting System
LSA Fee Project
Department of Inspections and Appeals
Department of Public Safety

/s/ Holly M. Lyons

March 22, 2021

Doc ID 1216393

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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