

Budget Unit Brief

FY 2017



Gaming Enforcement Revolving Fund

Purpose and History

Prior to July 1, 2010, the Department of Public Safety (DPS) billed the gaming industry through the [Iowa Racing and Gaming Commission \(IRGC\)](#) for 100.0% of the regulatory fees. These fees include direct and indirect support costs such as supplies, equipment, fuel, and costs associated with support personnel. The gaming industry reimbursed regulatory fees to the General Fund on a weekly basis. The Gaming Enforcement Revolving Fund was created during the 2010 Legislative Session. Since July 1, 2010, receipts from the gaming industry have been deposited in the Gaming Enforcement Fund rather than the General Fund. The Division of Criminal Investigation (DCI) Gaming Division no longer receives funding from the General Fund, but instead receives funding from the Gaming Enforcement Revolving Fund.

Gaming Operations Bureau

The [Gaming Operations Bureau](#) of the DCI is in charge of both criminal investigations and regulatory enforcement of the laws and rules applicable to gambling in Iowa. The gaming industry is required to pay a regulatory fee for the salaries of no more than three special agents for each gambling facility. As of September 2016, there were three racetracks and 19 riverboat/land-based casinos.

Funding

Language in the Justice System Appropriations Bill permits the DPS to temporarily use General Fund money to provide cash flow for the Gaming Enforcement Revolving Fund and requires the DPS to repay all money used for cash flow purposes by the end of the fiscal year. The amount to be expended from the Fund and the number of FTE positions is capped in the Justice System Appropriations Budget Bill. For FY 2017, the Gaming Enforcement Revolving Fund appropriation is \$9.7 million and 73.0 FTE positions. This amount is a result of a requirement authorized in [SF 447](#) (FY 2014 Justice System Appropriations Act) that eliminates Gaming Enforcement officer positions and maintains Special Agent II FTE positions at gaming establishments. If additional gambling licenses are granted, the Justice System Appropriations Bill also provides for an increase of \$300,000 in the spending authority for the costs of personnel and support associated with each new license issued.

Amusement Device/Social and Charitable Gambling

The Bureau also conducts routine inspections and criminal investigations into video lottery devices, amusement devices, and lottery pull-tabs. They also oversee raffles, carnival games and bingo. Agents conduct investigations into illegal forms of gaming including sports book-making, high stakes poker, and cock-fighting.

Required Reports

Beginning January 1, 2015, and each January thereafter, the DCI is required to provide a report detailing the activities of the previous fiscal year to the IRGC, the Chairpersons and Ranking Members of the Justice System Appropriations Subcommittee, and the Legislative Services Agency (LSA). Additionally, the DCI is required to report to the Chairpersons and Ranking Members of the Justice System Appropriations Subcommittee and the LSA regarding its review of the number of special agents at each gambling facility by July 1, 2020. The review must include comments from the IRGC and licensees. The DCI and the gaming industry filed a [report](#) that provided details of the activities of gaming enforcement officers and special agents on December 11, 2013.

Related Statutes

Iowa Code sections [80.43](#), [99D.14](#), and [99F.10](#)
[661](#) Iowa Administrative Code

Revised September 13, 2016

More Information

Iowa Department of Public Safety: <http://www.dps.state.ia.us/index.shtml>

Iowa General Assembly: <https://www.legis.iowa.gov/>

LSA Staff Contact: Alice Fulk Wisner (515-281-6764) alice.wisner@legis.iowa.gov