

FILED JAN 18 1996

SENATE FILE 2058
BY RIFE

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act to provide for the supplementation of horse race purses
2 with net receipts from gambling games.

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

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

S.F. 2058

1 Section 1. Section 99F.6, subsection 4, paragraph a, Code
2 Supplement 1995, is amended to read as follows:

3 a. Before a license is granted, the division of criminal
4 investigation of the department of public safety shall conduct
5 a thorough background investigation of the applicant for a
6 license to operate a gambling game operation on an excursion
7 gambling boat. The applicant shall provide information on a
8 form as required by the division of criminal investigation. A
9 qualified sponsoring organization licensed to operate gambling
10 games under this chapter shall distribute the receipts of all
11 gambling games, less reasonable expenses, charges, taxes,
12 fees, and deductions allowed under this chapter, as winnings
13 to players or participants or shall distribute the receipts
14 for educational, civic, public, charitable, patriotic, or
15 religious uses as defined in section 99B.7, subsection 3,
16 paragraph "b". However, if a licensee who is also licensed to
17 conduct pari-mutuel wagering at a horse racetrack has unpaid
18 debt from the pari-mutuel racetrack operations, the first
19 receipts of the gambling games operated within the racetrack
20 enclosure less reasonable operating expenses, taxes, and fees
21 allowed under this chapter shall be first used to pay the
22 annual indebtedness. After any annual indebtedness liability
23 is paid, the commission shall require that at least twenty-
24 five percent of the remaining receipts from gambling games at
25 a horse racetrack enclosure shall be used to supplement purses
26 for horse races. The commission shall also authorize, subject
27 to ~~the debt payments for horse racetracks and~~ the provisions
28 of paragraph "b" for dog racetracks, a licensee who is also
29 licensed to conduct pari-mutuel dog or horse racing to use
30 receipts from gambling games within the racetrack enclosure to
31 supplement purses for races particularly for Iowa-bred horses
32 pursuant to an agreement which shall be negotiated between the
33 licensee and representatives of the dog or horse owners. A
34 qualified sponsoring organization shall not make a
35 contribution to a candidate, political committee, candidate's

1 committee, state statutory political committee, county
2 statutory political committee, national political party, or
3 fund-raising event as these terms are defined in section 56.2.
4 The membership of the board of directors of a qualified
5 sponsoring organization shall represent a broad interest of
6 the communities.

7 EXPLANATION

8 This bill provides that after any annual indebtedness
9 liability is paid, the racing and gaming commission shall
10 require that at least 25 percent of the remaining receipts
11 from gambling games at a horse racetrack enclosure shall be
12 used to supplement purses for horse races.

13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35