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SENATE FILE 311
BY RIFE

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

A BILL FOR

1 An Act relating to depositing gambling and lottery revenues in
2 the rebuild Iowa infrastructure fund.

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

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S.F. 311

1 Section 1. Section 8.22A, subsection 5, paragraph b, Code
2 1997, is amended to read as follows:

3 b. The amount of revenue for the following fiscal year
4 from gambling revenues and from interest earned on the cash
5 reserve fund and the economic emergency fund to be deposited
6 in the rebuild Iowa infrastructure fund under section 8.57,
7 subsection 5, ~~paragraph "e"~~.

8 Sec. 2. Section 8.57, subsection 5, paragraph c, Code
9 1997, is amended to read as follows:

10 c. Moneys in the fund in a fiscal year shall be used as
11 directed by the general assembly for public vertical
12 infrastructure projects having a usable life of over ten
13 years. For the purposes of this subsection, "vertical
14 infrastructure projects" ~~includes only land-acquisition and~~
15 ~~construction, major renovation and major repair of buildings,~~
16 ~~all appurtenant structures, utilities, site development, and~~
17 ~~recreational trails.~~ -- "Vertical infrastructure" means one-time
18 projects and does not include routine, recurring maintenance
19 or operational expenses ~~or leasing of a building, appurtenant~~
20 ~~structure, or utility without a lease-purchase agreement.~~
21 However, appropriations may be made for the fiscal years
22 beginning July 1, 1997, and July 1, 1998, for the purpose of
23 funding the completion of Part III of the Iowa communications
24 network.

25 Sec. 3. Section 8.57, subsection 5, paragraph e, Code
26 1997, is amended by striking the paragraph.

27 Sec. 4. Section 8.60, subsection 1, Code 1997, is amended
28 by striking the subsection.

29 Sec. 5. Section 99D.7, subsection 2, Code 1997, is amended
30 to read as follows:

31 2. To identify occupations within the racing industry
32 which require licensing and adopt standards for licensing the
33 occupations including establishing fees for the occupational
34 licenses. The fees shall be paid to the commission and used
35 ~~as required in section 99D.17~~ for the purposes of the

1 commission.

2 Sec. 6. Section 99D.17, Code 1997, is amended to read as
3 follows:

4 99D.17 USE OF FUNDS.

5 Funds received pursuant to sections 99D.14 and 99D.15 shall
6 be deposited in the ~~general fund of the state and shall be~~
7 ~~subject to the requirements of section 8.60. These funds~~
8 ~~shall first be used to the extent appropriated by the general~~
9 assembly rebuild Iowa infrastructure fund established in
10 section 8.57. The commission is subject to the budget
11 requirements of chapter 8 and the applicable auditing
12 requirements and procedures of chapter 11.

13 Sec. 7. Section 99E.10, subsection 1, unnumbered paragraph
14 3, Code 1997, is amended to read as follows:

15 ~~The committing the lottery to environment, agriculture, and~~
16 ~~natural resources fund, also to be known as the EB&AN fund, is~~
17 ~~created in the office of the treasurer of state. Lottery~~
18 revenue remaining after expenses are determined shall be
19 transferred to the EB&AN rebuild Iowa infrastructure fund
20 established in section 8.57, on a monthly basis. Revenues
21 generated during the last month of the fiscal year which are
22 transferred to the EB&AN rebuild Iowa infrastructure fund
23 during the following fiscal year shall be considered revenues
24 transferred during the previous fiscal year for purposes of
25 ~~the allotments made to and appropriations made from the~~
26 ~~separate accounts in the EB&AN rebuild Iowa infrastructure~~
27 fund for that previous fiscal year. ~~However, upon the request~~
28 ~~of the director and subject to approval by the treasurer of~~
29 ~~state, an amount sufficient to cover the foreseeable~~
30 ~~administrative expenses of the lottery for a period of twenty-~~
31 ~~one days may be retained from the lottery revenue. Prior to~~
32 the monthly transfer to the EB&AN rebuild Iowa infrastructure
33 fund, the director may direct that lottery revenue shall be
34 deposited in the lottery fund and in interest-bearing accounts
35 designated by the treasurer of state in the financial

1 institutions of this state or invested in the manner provided
2 in section 12B.10. Interest or earnings paid on the deposits
3 or investments is considered lottery revenue and shall be
4 transferred to the EBEAN rebuild Iowa infrastructure fund in
5 the same manner as other lottery revenue. ~~Money-in-the-EBEAN~~
6 ~~fund-shall-be-deposited-in-interest-bearing-accounts-in~~
7 ~~financial-institutions-in-this-state-or-invested-in-the-manner~~
8 ~~provided-in-section-12B-10--The-interest-or-earnings-on-the~~
9 ~~deposits-or-investments-shall-be-considered-part-of-the-EBEAN~~
10 ~~fund-and-shall-be-retained-in-the-fund-unless-appropriated-by~~
11 ~~the-general-assembly.~~

12 Sec. 8. Section 99E.10, subsection 2, Code 1997, is
13 amended by striking the subsection.

14 Sec. 9. Section 99E.20, subsection 2, Code 1997, is
15 amended to read as follows:

16 2. A lottery fund is created in the office of the
17 treasurer of state. The fund consists of all revenues
18 received from the sale of lottery tickets or shares and all
19 other moneys lawfully credited or transferred to the fund.
20 The commissioner shall certify monthly that portion of the
21 fund that is transferred to the ~~EBEAN-fund-under-section~~
22 ~~99E.10 and-shall-cause-that-portion-to-be-transferred-to-the~~
23 ~~EBEAN-fund-of-the-state~~ rebuild Iowa infrastructure fund
24 established in section 8.57. The commissioner shall certify
25 before the twentieth of each month that portion of the fund
26 resulting from the previous month's sales to be transferred to
27 the EBEAN rebuild Iowa infrastructure fund.

28 Sec. 10. Section 99F.11, subsection 4, Code 1997, is
29 amended to read as follows:

30 4. The remaining amount of the adjusted gross receipts tax
31 shall be credited to the ~~general-fund-of-the-state~~ rebuild
32 Iowa infrastructure fund.

33 Sec. 11. Section 99E.34, Code 1997, is repealed.

34 EXPLANATION

35 This bill provides that racing and gaming revenues and

1 gambling adjusted gross receipts tax revenues currently
2 deposited in the general fund of the state and lottery
3 revenues currently deposited in the committing the lottery to
4 environment, agriculture, and natural resources (CLEAN) fund
5 be transferred to the rebuild Iowa infrastructure fund
6 established in section 8.57. The bill also repeals section
7 99E.34 regarding appropriations from the CLEAN fund.
8 Currently, the first \$60 million of racing and gaming revenues
9 from pari-mutuel wagering and excursion boat and racetrack
10 gambling are deposited in the general fund of the state and
11 revenues in excess of that amount are deposited in the rebuild
12 Iowa infrastructure fund.

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