

Hansen, Ch.
Eichhorn
Osterhaus

HSB 232

WAYS AND MEANS

SF 747

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON WAYS
AND MEANS BILL BY CHAIRPERSON
VAN FOSSEN)

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

A BILL FOR

1 An Act relating to the tax rate on the adjusted gross receipts
2 from gambling games at certain racetrack enclosures.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 99F.11, unnumbered paragraph 1, Code
2 2001, is amended to read as follows:

3 A tax is imposed on the adjusted gross receipts received
4 annually from gambling games authorized under this chapter at
5 the rate of five percent on the first one million dollars of
6 adjusted gross receipts, at the rate of ten percent on the
7 next two million dollars of adjusted gross receipts, and at
8 the rate of twenty percent on any amount of adjusted gross
9 receipts over three million dollars. However, beginning
10 January 1, 1997, the rate on any amount of adjusted gross
11 receipts over three million dollars from gambling games at
12 racetrack enclosures is twenty-two percent and shall increase
13 by two percent each succeeding calendar year until the rate is
14 thirty-six percent. However, at racetrack enclosures at which
15 the amount of adjusted gross receipts from gambling games
16 annually is more than three million dollars but not more than
17 seventy million dollars, the tax rate on the amount of
18 adjusted gross receipts from gambling games is thirty percent.

19 The taxes imposed by this section shall be paid by the
20 licensee to the treasurer of state within ten days after the
21 close of the day when the wagers were made and shall be
22 distributed as follows:

23 EXPLANATION

24 This bill provides that a tax rate of 30 percent shall be
25 levied on the adjusted gross receipts from gambling games at
26 racetrack enclosures at which the total adjusted gross
27 receipts received from gambling games annually is more than \$3
28 million but not more than \$70 million.

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APR 30 2001
WAYS & MEANS CALENDAR

HOUSE FILE 747
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 232)

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

A BILL FOR

1 An Act imposing a tax rate increase from thirty percent to
2 thirty-two percent on the adjusted gross receipts over three
3 million dollars from gambling games conducted at racetrack
4 enclosures and providing an effective date.

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

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HF 747

1 Section 1. Section 99F.11, unnumbered paragraph 1, Code
2 2001, is amended to read as follows:

3 A tax is imposed on the adjusted gross receipts received
4 annually from gambling game authorized under this chapter at
5 the rate of five percent on the first one million dollars of
6 adjusted gross receipts, at the rate of ten percent on the
7 next two million dollars of adjusted gross receipts, and at
8 the rate of twenty percent on any amount of adjusted gross
9 receipts over three million dollars. However, beginning
10 ~~January 1, 1997~~ June 1, 2001, the rate of any amount of
11 adjusted gross receipts over three million dollars from
12 gambling games at racetrack enclosures is twenty-two thirty-
13 two percent and shall increase by two percent each succeeding
14 calendar year until the rate is thirty-six percent. The taxes
15 imposed by this section shall be paid by the licensee to the
16 treasurer of state within ten days after the close of the day
17 when the wagers were made and shall be distributed as follows:

18 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
19 immediate importance, takes effect upon enactment.

20 EXPLANATION

21 This bill sets the maximum rate of tax on the adjusted
22 gross receipts received annually from gambling games at
23 racetrack enclosures at 32 percent effective June 1, 2001.
24 Under current law, the maximum rate of tax on the adjusted
25 gross receipts from gambling games at racetrack enclosures
26 will reach 36 percent in calendar year 2004.

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**HOUSE FILE 747
FISCAL NOTE**

A fiscal note for **House File 747** is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 747 provides that a tax rate of 32.0% shall be levied on the adjusted gross receipts from gambling games at racetrack enclosures at which the annual total adjusted gross receipts from gambling games is more than \$3.0 million beginning June 1, 2001.

Under current law the tax rate is 30.0% and will increase by 2.0% on January 1, 2002, and each succeeding calendar year until the rate is 36.0% starting January 1, 2004.

ASSUMPTIONS

1. The adjusted gross receipts at Bluffs Run are estimated to be \$124.0 million in FY 2001.
2. The adjusted gross receipts at Bluffs Run are estimated to be \$126.4 million in FY 2002 and each succeeding fiscal year.
3. The adjusted gross receipts at Dubuque Greyhound Park are estimated to be \$36.0 million in FY 2001.
4. The adjusted gross receipts at Dubuque Greyhound Park are estimated to be \$36.7 million in FY 2002 and each succeeding fiscal year.
5. The adjusted gross receipts at Prairie Meadows are estimated to be \$130.0 million in FY 2001.
6. The adjusted gross receipts at Prairie Meadows are estimated to be \$132.6 million in FY 2002 and each succeeding fiscal year.
7. Maintains the tax rate of 5.0% on the first million of adjusted gross receipts and 10.0% tax rate on the next \$2.0 million of revenue.
8. The highest marginal tax rate will be capped at 32.0% beginning June 1, 2001.

FISCAL IMPACT

The net fiscal impact of House File 747 on the Rebuild Iowa Infrastructure Fund (RIIF) would be as follows:

1. An increase of \$480,000 for FY 2001.
2. An increase of \$2.8 million for FY 2002.
3. A decrease of \$3.0 million for FY 2003.
4. A decrease of \$8.7 million for FY 2004.
5. A decrease of \$11.5 million in FY 2005 and each succeeding fiscal year.

SOURCE

March 14, 2001, Revenue Estimating Conference

(LSB 2400hv, RNR)

HOUSE FILE 747

H-1848

- 1 Amend House File 747 as follows:
2 1. Page 1, lines 12 and 13, by striking the word
3 "thirty-two" and inserting the following: "thirty-four".
4 2. Title page, line 2, by striking the word "thirty-two"
5 and inserting the following: "thirty-four".

By FALLON of Polk

H-1848 FILED MAY 1, 2001

HOUSE FILE 747

H-1849

- 1 Amend House File 747 as follows:
2 1. Page 1, by inserting before line 1, the
3 following:
4 "Section 1. Section 99E.10, subsection 1,
5 paragraph a, Code 2001, is amended to read as follows:
6 a. An amount equal to three-tenths of one percent
7 of the gross lottery revenue shall be deposited in a
8 gambling treatment fund in the office of the treasurer
9 of state. The proceeds of the gambling treatment fund
10 shall be used solely for the gambling treatment
11 program. Any transfer or appropriation of funds which
12 is not in accordance with this paragraph shall not be
13 made unless authorized by a three-fifths majority of
14 each house and approved by the governor."
15 2. Page 1, by inserting after line 17, the
16 following:
17 "Sec. ____ . RULES COMPLIANCE WITH THREE-FIFTHS
18 MAJORITY. The senate and house of representatives
19 shall comply with any provision of law that requires a
20 vote of at least three-fifths of the members of both
21 chambers of the general assembly and approval by the
22 governor, which requirement shall also be a
23 requirement of the joint rules for the Seventy-ninth
24 General Assembly."
25 3. Title page, line 1, by inserting after the
26 word "Act" the following: "relating to gambling by
27 providing for the use of gambling treatment funds
28 solely for gambling treatment programs,".
29 4. By renumbering as necessary.

By SIEVERS of Scott
CORMACK of Webster
WITT of Black Hawk
RAECKER of Polk
BRUNKHORST of Bremer

GARMAN of Story
SCHRADER of Marion
TYRRELL of Iowa
JOHNSON of Osceola

H-1849 FILED MAY 1, 2001

HOUSE FILE 747**H-1850**

- 1 Amend House File 747 as follows:
2 1. Page 1, lines 12 and 13, by striking the word
3 "thirty-two" and inserting the following: "thirty-six".
4 2. Title page, line 2, by striking the words "thirty-two"
5 and inserting the following: "thirty-six".

By RAECKER of Polk

H-1850 FILED MAY 1, 2001

HOUSE FILE 747**H-1851**

- 1 Amend House File 747 as follows:
2 1. Page 1, by inserting before line 1, the
3 following:
4 "Section 1. Section 99F.11, Code 2001, is amended
5 by adding the following new unnumbered paragraph:
6 NEW UNNUMBERED PARAGRAPH. For the fiscal years
7 beginning July 1, 2002, and for subsequent fiscal
8 years, notwithstanding the tax rates specified for
9 excursion gambling boat licensees under this section,
10 the commission shall adjust the tax rates on the
11 excursion gambling boats' adjusted gross receipts so
12 that the total tax revenue from all gambling licensees
13 under this section shall not exceed the tax revenue
14 for the fiscal year beginning July 1, 2001. In
15 determining the tax rates for the excursion gambling
16 boat licensees, the commission shall use the tax
17 revenue estimates made by the revenue estimating
18 conference."
19 2. Title page, line 1, by inserting after the
20 word "Act" the following: "relating to gambling by
21 providing for the adjustment of tax rates on gambling
22 games on excursion gambling boats,".
23 3. By renumbering as necessary.

By RAECKER of Polk

JOHNSON of Osceola

BRUNKHORST of Bremer

BOAL of Polk

ALONS of Sioux

H-1851 FILED MAY 1, 2001

w/d 5/4/01 (p. 1885)

HOUSE FILE 747

H-1852

1 Amend House File 747 as follows:

2 1. Page 1, by inserting after line 17, the
3 following:

4 "Sec. ____ . Section 99F.11, subsection 3, Code
5 2001, is amended by striking the subsection and
6 inserting in lieu thereof the following:

7 3. An amount of the adjusted gross receipts equal
8 to each licensee's portion of the total lottery
9 expenses for marketing, educational, and informational
10 material for the preceding fiscal year shall be
11 credited to the gambling treatment fund specified in
12 section 99E.10, subsection 1, paragraph "a". The
13 commission shall apportion the total amount due among
14 the licensees based on the total adjusted gross
15 receipts received by each licensee during the
16 preceding fiscal year. The amounts due shall be
17 remitted in equal installments at least monthly to the
18 gambling treatment fund."

19 2. Title page, line 1, by inserting after the
20 word "Act" the following: "relating to gambling by
21 imposing a gross receipts tax payable to the gambling
22 treatment fund and".

23 3. By renumbering as necessary.

By CORMACK of Webster

CARROLL of Poweshiek

WITT of Black Hawk

TYRRELL of Iowa

SIEVERS of Scott

JOHNSON of Osceola

BRUNKHORST of Bremer

VAN ENGELENHOVEN of Mahask

GARMAN of Story

H-1852 FILED MAY 1, 2001

HOUSE FILE 747**H-1853**

1 Amend House File 747 as follows:

2 1. Page 1, by inserting after line 17, the
3 following:

4 "Sec. _____. Section 99F.6, Code 2001, is amended by
5 adding the following new subsection:

6 NEW SECTION. 9. In addition to the contributions
7 required pursuant to subsection 4, paragraph "a",
8 beginning January 1, 2003, the amount of money
9 received annually by a licensee from gambling game
10 receipts at a racetrack enclosure equal to the amount
11 of tax receipts which would have been paid on the
12 adjusted gross receipts pursuant to section 99F.11 at
13 an additional tax rate of two percent for the calendar
14 year 2003 and at an additional tax rate of four
15 percent for the calendar year 2004 and for subsequent
16 calendar years, shall be distributed solely for
17 charitable uses."

18 2. Title page, line 4, by inserting after the
19 word "enclosures" the following: ", providing for the
20 distribution of certain net gambling receipts,".

21 3. By renumbering as necessary.

By RAECKER of Polk

WITT of Black Hawk

BRUNKHORST of Bremer

GARMAN of Story

SCHRADER of Marion

TYRRELL of Iowa

KREIMAN of Davis

JOHNSON of Osceola

VAN ENGELENHOVEN of Mahaska

BOAL of Polk

H-1853 FILED MAY 1, 2001

HOUSE FILE 747

H-1854

1 Amend House File 747 as follows:

2 1. Page 1, by inserting before line 1, the
3 following:

4 "Section 1. Section 99D.11, subsection 7, Code
5 2001, is amended to read as follows:

6 7. A person under the age of twenty-one years
7 shall not make or attempt to make a pari-mutuel wager.
8 A person who violates this subsection commits a
9 scheduled violation under section 805.8, subsection
10 13.

11 Sec. _____. Section 99E.18. Code 2001, is amended by
12 adding the following new subsection:

13 NEW SUBSECTION. 5. A person under the age of
14 twenty-one years shall not purchase or attempt to
15 purchase a ticket or share. A person who violates
16 this subsection commits a scheduled violation under
17 section 805.8, subsection 13.

18 Sec. _____. Section 99F.9, subsection 5, Code 2001,
19 is amended to read as follows:

20 5. A person under the age of twenty-one years
21 shall not make or attempt to make a wager on an
22 excursion gambling boat or in a racetrack enclosure
23 and shall not ~~be allowed in~~ enter the area of the
24 excursion gambling boat or racetrack enclosure where
25 gambling is being conducted except for employment
26 purposes. However, a person under eighteen years of
27 age ~~or older~~ may be employed to work in a ~~gambling~~
28 area nongambling areas only on an excursion gambling
29 boat or in a racetrack enclosure. A person who
30 violates this subsection with respect to making or
31 attempting to make a wager commits a scheduled
32 violation under section 805.8, subsection 13."

33 2. Page 1, by inserting after line 17, the
34 following:

35 "Sec. _____. Section 805.8, Code 2001, is amended by
36 adding the following new subsection:

37 NEW SUBSECTION. 13. GAMBLING VIOLATIONS. For
38 violations of legal age for gambling or pari-mutuel
39 wagering under section 99D.11, subsection 7, section
40 99E.18, subsection 5, or section 99F.9, subsection 5,
41 the scheduled fine is one hundred dollars. Failure to
42 pay the fine by a person under the age of eighteen
43 shall not result in the person being detained in a
44 secure facility."

45 3. Title page, line 1, by inserting after the
46 word "Act" the following: "relating to gambling by
47 imposing a penalty on persons under legal age who
48 gamble or attempt to gamble and".

49 4. By renumbering as necessary.

By BODDICKER of Cedar
RAECKER of Polk

H-1854 FILED MAY 1, 2001

HOUSE FILE 747**H-1856**

- 1 Amend House File 747 as follows:
2 1. Page 1, by inserting before line 1 the
3 following:
4 "Section 1. Section 99F.4, Code 2001, is amended
5 by adding the following new subsection:
6 NEW SUBSECTION. 23. To prohibit the operation of
7 slot machines using a theme or character associated
8 with a product intended for, marketed to, and
9 generally used by persons under twenty-one years of
10 age. This subsection does not apply to a theme or
11 character used on slot machines operated on or before
12 the effective date of this Act."
13 2. Title page, line 1, by inserting after the
14 word "Act" the following: "relating to gambling by
15 prohibiting licensees from installing and operating
16 slot machines using themes and characters associated
17 with a product intended for, marketed to, and used by
18 persons under twenty-one years of age and".
19 3. By renumbering as necessary.

By FALLON of Polk
WITT of Black Hawk
RAECKER of Polk

H-1856 FILED MAY 1, 2001

HOUSE FILE 747**H-1857**

- 1 Amend House File 747 as follows:
2 1. Page 1, line 3, by striking the word "A" and
3 inserting the following: "A Beginning June 1, 2001,
4 a".
5 2. Page 1, line 8, by striking the word "twenty"
6 and inserting the following: "twenty thirty-two".
7 3. Page 1, by striking lines 9 through 13 and
8 inserting the following: "receipts over three million
9 dollars. ~~However, beginning January 1, 1997, the rate~~
10 ~~of any amount of adjusted gross receipts over three~~
11 ~~million dollars from gambling games at racetrack~~
12 ~~enclosures is twenty-two percent and shall increase by~~
13 ~~two percent each succeeding".
14 4. Title page, lines 1 and 2, by striking the~~
15 words "from thirty percent to thirty-two percent".
16 5. Title page, line 4, by inserting after the
17 word "enclosures" the following: "and excursion
18 gambling boats".

By WITT of Black Hawk

H-1857 FILED MAY 1, 2001

HOUSE FILE 747

H-1858

1 Amend House File 747 as follows:
2 1. Page 1, line 3, by striking the word "A" and
3 inserting the following: "A Beginning June 1, 2001,
4 a".
5 2. Page 1, line 8, by striking the word "twenty"
6 and inserting the following: "~~twenty~~ thirty".
7 3. Title page, lines 1 and 2, by striking the
8 words "from thirty percent to thirty-two percent".
9 4. Title page, line 4, by inserting after the
10 word "enclosures" the following: "and excursion
11 gambling boats".

By FALLON of Polk

H-1858 FILED MAY 1, 2001

HOUSE FILE 747

H-1859

1 Amend House File 747 as follows:
2 1. Page 1, line 3, by striking the word "A" and
3 inserting the following: "A Beginning June 1, 2001,
4 a".
5 2. Page 1, line 8, by striking the word "twenty"
6 and inserting the following: "~~twenty~~ twenty-two".
7 3. Title page, lines 1 and 2, by striking the
8 words "from thirty percent to thirty-two percent".
9 4. Title page, line 4, by inserting after the
10 word "enclosures" the following: "and excursion
11 gambling boats".

By GARMAN of Story

H-1859 FILED MAY 1, 2001

HOUSE FILE 747**H-1860**

1 Amend House File 747 as follows:

2 1. Page 1, by striking lines 9 and 10, and
3 inserting the following: "receipts over three million
4 dollars. However, ~~beginning January 1, 1997,~~ the rate
5 of any amount of".

6 2. Page 1, line 19, by inserting after the word
7 "enactment." the following: "However, this Act shall
8 not take effect until the administrator of the state
9 racing and gaming commission has certified to the
10 secretary of state that each licensee licensed to
11 conduct gambling games at racetrack enclosures
12 pursuant to chapter 99F has agreed to prohibit all
13 financial institutions, vendors, or other persons from
14 loaning money on the licensed premises for the purpose
15 of gambling on the basis of a credit card or similar
16 instrument in person or through an electronic or
17 mechanical device including but not limited to a
18 satellite terminal as defined in section 527.2. The
19 use of check or a debit card with overdraft protection
20 shall not be prohibited by the agreement."

By BRUNKHORST of Bremer
RAECKER of Polk

H-1860 FILED MAY 1, 2001

HOUSE FILE 747

H-1861

1 Amend House File 747 as follows:

2 1. Page 1, by inserting before line 1, the
3 following:

4 "Section 1. Section 99D.9, subsection 6, Code
5 2001, is amended to read as follows:

6 6. A licensee ~~may~~ shall not loan to any person
7 money or any other thing of value or permit a
8 financial institution, vendor, or other person to loan
9 money on the licensed premises on the basis of a
10 credit card or similar instrument in person or through
11 an electronic or mechanical device including but not
12 limited to a satellite terminal as defined in section
13 527.2 for the purpose of permitting that person to
14 wager on any race. The use of a check or a debit card
15 with overdraft protection is not prohibited by this
16 subsection.

17 Sec. _____. Section 99F.7, subsection 9, Code 2001,
18 is amended to read as follows:

19 9. A licensee shall not loan to any person money
20 or any other thing of value or permit a financial
21 institution, vendor, or other person to loan money on
22 the licensed premises on the basis of a credit card or
23 similar instrument in person or through an electronic
24 or mechanical device including but not limited to a
25 satellite terminal as defined in section 527.2 for the
26 purpose of permitting that person to wager on any game
27 of chance. The use of a check or a debit card with
28 overdraft protection is not prohibited by this
29 subsection."

30 2. Page 1, line 1, by striking the word and
31 figure "Section 1" and inserting the following: "Sec.
32 101".

33 3. Page 1, by striking lines 9 and 10, and
34 inserting the following: "receipts over three million
35 dollars. However, ~~beginning January 1, 1997,~~ the rate
36 of any amount of".

37 4. Page 1, line 19, by inserting after the word
38 "enactment." the following: "However, section 101 of
39 this Act shall not take effect until the administrator
40 of the state racing and gaming commission has
41 certified to the secretary of state that each licensee
42 licensed pursuant to chapter 99D or 99F is in
43 compliance with section 99D.9, subsection 6, as
44 amended by this Act or section 99F.7, subsection 9, as
45 amended by this Act, as applicable."

46 5. Title page, line 1, by inserting after the
47 word "Act" the following: "relating to gambling by
48 prohibiting the loan of money for gambling purposes
49 through a credit card or an electronic or mechanical
50 device at a gambling facility and".

H-1861

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H-1861

Page 2

1 6. By renumbering as necessary.

By RAECKER of Polk	TYRRELL of Iowa
WITT of Black Hawk	KREIMAN of Davis
FALLON of Polk	JOHNSON of Osceola
SUKUP of Franklin	VAN ENGELENHOVEN of Mahaska
BRUNKHORST of Bremer	RICHARDSON of Warren
GARMAN of Story	BOAL of Polk
CARROLL of Poweshiek	

H-1861 FILED MAY 1, 2001**HOUSE FILE 747****H-1893**

1 Amend House File 747 as follows:

2 1. Page 1, by inserting before line 1, the
3 following:4 "Section 1. Section 99F.6, Code 2001, is amended
5 by adding the following new subsection:6 NEW SUBSECTION. 9. Beginning January 1, 2003, the
7 amount of moneys received annually by a licensee from
8 gambling games receipts at a racetrack enclosure equal
9 to the amount of tax receipts which would have been
10 paid on the adjusted gross receipts pursuant to
11 section 99F.11 at an additional tax rate of two
12 percent for the calendar year 2003 and at an
13 additional tax rate of four percent for the calendar
14 year 2004 and for subsequent calendar years, shall not
15 be used to promote or affect the outcome of a
16 referendum required or authorized under this chapter."17 2. Title page, line 4, by inserting after the
18 word "enclosures" the following: ", providing for the
19 distribution of certain net gambling receipts,".

20 3. By renumbering as necessary.

By RAECKER of Polk**H-1893** FILED MAY 2, 2001

HOUSE FILE 747

H-1889

1 Amend House File 747 as follows:

2 1. Page 1, by inserting before line 1, the
3 following:

4 "Section 1. Section 99D.9, subsection 6, Code
5 2001, is amended to read as follows:

6 6. A licensee ~~may~~ shall not loan to any person
7 money or any other thing of value or permit a
8 financial institution, vendor, or other person to loan
9 money on the licensed premises on the basis of a
10 credit card or similar instrument in person or through
11 an electronic or mechanical device including but not
12 limited to a satellite terminal as defined in section
13 527.2 for the purpose of permitting that person to
14 wager on any race. The use of a check or a debit card
15 with overdraft protection is not prohibited by this
16 subsection.

17 Sec. _____. Section 99F.7, subsection 9, Code 2001,
18 is amended to read as follows:

19 9. A licensee shall not loan to any person money
20 or any other thing of value or permit a financial
21 institution, vendor, or other person to loan money on
22 the licensed premises on the basis of a credit card or
23 similar instrument in person or through an electronic
24 or mechanical device including but not limited to a
25 satellite terminal as defined in section 527.2 for the
26 purpose of permitting that person to wager on any game
27 of chance. The use of a check or a debit card with
28 overdraft protection is not prohibited by this
29 subsection."

30 2. Title page, line 1, by inserting after the
31 word "Act" the following: "relating to gambling by
32 prohibiting the loan of money for gambling purposes
33 through a credit card or an electronic or mechanical
34 device at a gambling facility and".

35 3. By renumbering as necessary.

By RAECKER of Polk
WITT of Black Hawk
FALLON of Polk
SUKUP of Franklin
BRUNKHORST of Bremer
GARMAN of Story
CARROLL of Poweshiek

VAN ENGELENHOVEN of Mahaska
TYRRELL of Iowa
KREIMAN of Davis
JOHNSON of Osceola
RICHARDSON of Warren
BOAL of Polk

H-1889 FILED MAY 2, 2001

HOUSE FILE 747

H-1890

- 1 Amend House File 747 as follows:
2 1. Page 1, by inserting before line 1, the
3 following:
4 "Section 1. Section 99F.7, subsection 10,
5 paragraph b, Code 2001, is amended to read as follows:
6 b. If licenses to conduct gambling games and to
7 operate an excursion gambling boat or a racetrack
8 enclosure are in effect pursuant to a referendum as
9 set forth in this section and are subsequently
10 disapproved by a referendum of the county electorate,
11 the licenses ~~issued~~ shall be revoked by the commission
12 ~~after a referendum approving gambling games on~~
13 ~~excursion gambling boats shall remain valid and are~~
14 ~~subject to renewal for a total of nine years from the~~
15 ~~date of original issue unless the commission revokes a~~
16 ~~license at an earlier date as provided in this chapter~~
17 within six months after the certification of the
18 election results."
19 2. Title page, line 1, by inserting after the
20 word "Act" the following: "relating to gambling by
21 providing for the revocation of licenses after an
22 unfavorable referendum and".
23 3. By renumbering as necessary.

By RAECKER of Polk
WITT of Black Hawk

H-1890 FILED MAY 2, 2001

HOUSE FILE 747

H-1891

1 Amend House File 747 as follows:

2 1. Page 1, by inserting before line 1 the
3 following:

4 "Section 1. Section 99F.6, subsection 4, paragraph
5 a, Code 2001, is amended to read as follows:

6 4. a. Before a license is granted, the division
7 of criminal investigation of the department of public
8 safety shall conduct a thorough background
9 investigation of the applicant for a license to
10 operate a gambling game operation on an excursion
11 gambling boat. The applicant shall provide
12 information on a form as required by the division of
13 criminal investigation. A qualified sponsoring
14 organization licensed to operate gambling games under
15 this chapter shall distribute at least annually the
16 receipts of all gambling games, less reasonable
17 expenses, charges, taxes, fees, and deductions allowed
18 under this chapter, as winnings to players or
19 participants or shall distribute the receipts for
20 educational, civic, public, charitable, patriotic, or
21 religious uses as defined in section 99B.7, subsection
22 3, paragraph "b". However, if a licensee who is also
23 licensed to conduct pari-mutuel wagering at a horse
24 racetrack has unpaid debt from the pari-mutuel
25 racetrack operations, the first receipts of the
26 gambling games operated within the racetrack enclosure
27 less reasonable operating expenses, taxes, and fees
28 allowed under this chapter shall be first used to pay
29 the annual indebtedness. The commission shall
30 authorize, subject to the debt payments for horse
31 racetracks and the provisions of paragraph "b" for dog
32 racetracks, a licensee who is also licensed to conduct
33 pari-mutuel dog or horse racing to use receipts from
34 gambling games within the racetrack enclosure to
35 supplement purses for races particularly for Iowa-bred
36 horses pursuant to an agreement which shall be
37 negotiated between the licensee and representatives of
38 the dog or horse owners. A qualified sponsoring
39 organization shall not make a contribution to a
40 candidate, political committee, candidate's committee,
41 state statutory political committee, county statutory
42 political committee, national political party, or
43 fund-raising event as these terms are defined in
44 section 56.2. The membership of the board of
45 directors of a qualified sponsoring organization shall
46 represent a broad interest of the communities."

47 2. Title page, line 1, by inserting after the
48 word "Act" the following: "relating to gambling by
49 providing for the distribution of gambling receipts at
50 least annually for educational, civic, public,

H-1891

H-1891

Page 2

1 charitable, patriotic, or religious uses and".

2 3. By renumbering as necessary.

By RAECKER of Polk

H-1891 FILED MAY 2, 2001

HOUSE FILE 747**H-1892**

1 Amend House File 747 as follows:

2 1. Page 1, by inserting before line 1, the
3 following:

4 "Section 1. Section 99F.11, Code 2001, is amended
5 by adding the following new unnumbered paragraph:

6 NEW UNNUMBERED PARAGRAPH. For the fiscal years
7 beginning July 1, 2000, and for subsequent fiscal
8 years, notwithstanding the tax rates specified for
9 excursion gambling boat licensees under this section,
10 the commission shall adjust the tax rates on the
11 excursion gambling boats' adjusted gross receipts so
12 that the total tax revenue from all gambling licensees
13 under this section shall not exceed the tax revenue
14 for the fiscal year beginning July 1, 1999. In
15 determining the tax rates for the excursion gambling
16 boat licensees, the commission shall use the tax
17 revenue estimates made by the revenue estimating
18 conference."

19 2. Title page, line 1, by inserting after the
20 word "Act" the following: "relating to gambling by
21 providing for the adjustment of tax rates on gambling
22 games on excursion gambling boats,".

23 3. By renumbering as necessary.

By RAECKER of Polk

H-1892 FILED MAY 2, 2001

HOUSE FILE 747

H-2011

1 Amend House File 747 as follows:

2 1. Page 1, by inserting after line 17, the
3 following:

4 "Sec. ____ . Section 99F.11, Code 2001, is amended
5 by adding the following new unnumbered paragraph:
6 NEW UNNUMBERED PARAGRAPH. Beginning January 1,
7 2003, and for subsequent years, the commission shall
8 determine the total tax revenue which would have been
9 generated under section 99F.11, Code 2001. If the
10 total amount so determined is greater than the amount
11 estimated to be generated by the tax rates in effect
12 under this section for the calendar year 2003 and for
13 each subsequent calendar year as applicable, the
14 commission, notwithstanding the adjusted gross
15 receipts tax rates specified for excursion gambling
16 boats under this section, shall adjust the tax rates
17 on the adjusted gross receipts for the excursion
18 gambling boats so that the total tax revenue will
19 equal the tax revenue estimated under section 99F.11,
20 Code 2001. If the amount so determined is less, the
21 tax rate on the excursion gambling boats shall not be
22 changed."

23 2. Title page, line 1, by inserting after the
24 word "Act" the following: "relating to gambling by
25 providing for the adjustment of tax rates on gambling
26 games on excursion gambling boats,".

By RAECKER of Polk

H-2011 FILED MAY 4, 2001