

FEB 5 2004
STATE GOVERNMENT

HOUSE FILE 2182
BY BAUDLER

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

A BILL FOR

1 An Act relating to agreements for purses and supplements for
2 pari-mutual horse racing.

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

HF 2182

1 Section 1. Section 99F.6, subsection 4, paragraph a, Code
2 Supplement 2003, 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. The commission shall authorize, subject
23 to the debt payments for horse racetracks and the provisions
24 of paragraph "b" for dog racetracks, a licensee who is also
25 licensed to conduct pari-mutuel dog or horse racing to use
26 receipts from gambling games within the racetrack enclosure to
27 supplement purses for races particularly for Iowa-bred horses
28 pursuant to an agreement which shall be negotiated between the
29 licensee and representatives of the dog or horse owners. For
30 each agreement concerning purses for horse racing entered into
31 on or after January 1, 2006, the agreement shall provide that
32 total annual purses for horse racing at every racetrack
33 enclosure within Polk county shall be no less than thirteen
34 percent of the annual adjusted gross receipts from all
35 gambling games, and of the gross sum wagered from all pari-

1 mutual horse wagering and all wagering on simultaneously
 2 telecast horse and dog races within Polk county on the first
 3 one hundred ninety-five million dollars of the annual adjusted
 4 gross receipts, and ten percent of the annual adjusted gross
 5 receipts above one hundred ninety-five million dollars. In
 6 addition, each agreement concerning purses for horse racing
 7 entered into on or after January 1, 2006, shall also provide
 8 that no less than twenty percent of total annual purses for
 9 horse racing shall be used to supplement purses for Iowa-
 10 foaled and registered horses. A qualified sponsoring
 11 organization shall not make a contribution to a candidate,
 12 political committee, candidate's committee, state statutory
 13 political committee, county statutory political committee,
 14 national political party, or fund-raising event as these terms
 15 are defined in section 68A.102. The membership of the board
 16 of directors of a qualified sponsoring organization shall
 17 represent a broad interest of the communities.

18 EXPLANATION

19 This bill deals with agreements relating to annual purses
 20 for horse racing in Polk county. The bill provides that, for
 21 each agreement on purses entered into on or after January 1,
 22 2006, the agreement shall provide that total annual purses for
 23 horse racing shall be no less than 13 percent of annual
 24 adjusted gross receipts from gambling games and of gross sums
 25 wagered from horse racing at a racetrack on the first \$195
 26 million of receipts, and 10 percent of adjusted gross receipts
 27 on amounts over \$195 million. The bill also provides that an
 28 agreement shall provide that at least 20 percent of the total
 29 annual purses for horse racing shall supplement purses for
 30 Iowa-foaled and registered horses.

31
 32
 33
 34
 35