

House File 2427 - Introduced

HOUSE FILE 2427
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HSB 655)

A BILL FOR

1 An Act relating to electrical and mechanical amusement devices
2 concerning liability for device distributors and penalties
3 for awarding cash prizes for the use of electrical or
4 mechanical amusement devices.

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

1 Section 1. Section 99B.10, Code 2011, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 5. Notwithstanding any provision of this
4 section to the contrary, a distributor shall not be liable
5 for a violation of this section unless the distributor, or an
6 employee of the distributor, intentionally violates a provision
7 of this section.

8 Sec. 2. Section 99B.10B, subsection 2, Code 2011, is amended
9 to read as follows:

10 2. ~~a. The department shall revoke a registration issued~~
11 ~~pursuant to section 99B.10 or 99B.10A, for a period of ten~~
12 ~~years if a person commits an offense of awarding a cash prize~~
13 ~~in violation of section 99B.10, subsection 1, paragraph "b",~~
14 ~~pursuant to rules adopted by the department. A person who~~
15 commits an offense of awarding a cash prize of twenty-five
16 dollars or less in violation of section 99B.10, subsection 1,
17 paragraph "b", pursuant to rules adopted by the department,
18 shall be issued a warning letter by the department.

19 b. A person who commits, within two years, a second offense
20 of awarding a cash prize of twenty-five dollars or less in
21 violation of section 99B.10, subsection 1, paragraph "b", or
22 a person who commits an offense of awarding a cash prize of
23 more than twenty-five dollars in violation of section 99B.10,
24 subsection 1, paragraph "b", pursuant to rules adopted by the
25 department, shall be subject to revocation of the person's
26 registration and the following:

27 (1) If the person whose registration is revoked under this
28 subsection who paragraph "b", is a person for which a class "A",
29 class "B", class "C", special class "C", or class "D" liquor
30 control license has been issued pursuant to chapter 123, shall
31 have the person's liquor control license shall be suspended for
32 a period of fourteen days in the same manner as provided in
33 section 123.50, subsection 3, paragraph "a". A

34 (2) If the person whose registration is revoked under this
35 subsection who paragraph "b", is a person for which only a

1 class "B" or class "C" beer permit has been issued pursuant to
2 chapter 123, ~~shall have~~ the person's class "B" or class "C"
3 beer permit shall be suspended for a period of fourteen days
4 in the same manner as provided in section 123.50, subsection
5 3, paragraph "a".

6 ~~b.~~ (3) If a person owning or employed by an establishment
7 having a class "A", class "B", class "C", special class "C",
8 or class "D" liquor control license issued pursuant to chapter
9 123 commits an offense ~~of awarding a cash prize in violation of~~
10 ~~section 99B.10, subsection 1, paragraph "b", pursuant to rules~~
11 ~~adopted by the department as provided in this paragraph "b",~~ the
12 liquor control license of the establishment shall be suspended
13 for a period of fourteen days in the same manner as provided in
14 section 123.50, subsection 3, paragraph "a".

15 (4) If a person owning or employed by an establishment
16 having a class "B" or class "C" beer permit issued pursuant to
17 chapter 123 ~~awards a cash prize in violation of section 99B.10,~~
18 ~~subsection 1, paragraph "b", pursuant to rules adopted by the~~
19 ~~department~~ commits an offense as provided in this paragraph
20 "b", the beer permit of the establishment shall be suspended
21 for a period of fourteen days in the same manner as provided in
22 section 123.50, subsection 3, paragraph "a".

23 EXPLANATION

24 This bill concerns electrical and mechanical amusement
25 devices.

26 Code section 99B.10 is amended to provide that a distributor
27 of a device shall not be liable for a violation of this Code
28 section relative to amusement devices unless the distributor
29 or an employee of the distributor intentionally violates the
30 Code section.

31 This bill also concerns the penalties applicable to a
32 person who awards a cash prize for the use of an electrical
33 or mechanical amusement device in violation of Code section
34 99B.10(1)(b). The bill provides that if the cash prize awarded
35 in violation of this provision is \$25 or less, the penalty

1 shall be a warning letter. Current penalties applicable to any
2 awarding of a cash prize in violation of this provision are
3 amended by the bill and made applicable to a second violation
4 of awarding a cash prize of \$25 or less within two years or to
5 a violation of awarding a cash prize of more than \$25. The
6 bill eliminates the 10-year revocation of the registration
7 authorizing an electrical or mechanical amusement device
8 penalty but retains the 14-day suspension of an applicable
9 liquor control license or beer permit penalty for a violation
10 of these provisions.