

House File 2286 - Introduced

HOUSE FILE 2286
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HSB 614)

A BILL FOR

1 An Act appropriating certain tax receipts concerning internet
2 fantasy sports contests and sports wagering to the county
3 endowment fund.

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

1 Section 1. Section 8.57, subsection 6, Code 2022, is amended
2 by adding the following new paragraphs:

3 NEW PARAGRAPH. *f.* For the fiscal year beginning July 1,
4 2022, any unobligated and unencumbered moneys in the sports
5 wagering receipts fund from the previous fiscal year are
6 appropriated to the county endowment fund created in section
7 15E.311.

8 NEW PARAGRAPH. *g.* This subsection is repealed June 30,
9 2023.

10 Sec. 2. Section 15E.311, subsection 3, paragraph a, Code
11 2022, is amended to read as follows:

12 *a.* At the end of each fiscal year, moneys in the fund
13 shall be transferred into separate accounts within the fund
14 and designated for use by each county in which no licensee
15 authorized to conduct gambling games under [chapter 99F](#) was
16 located during that fiscal year. Moneys transferred to
17 county accounts shall be divided equally among the counties.
18 Moneys transferred into an account for a county shall be
19 transferred by the department to an eligible county recipient
20 for that county. Of the moneys transferred, an eligible county
21 recipient shall distribute seventy-five percent of the moneys
22 as grants to charitable organizations for charitable purposes
23 in that county and shall retain twenty-five percent of the
24 moneys for use in establishing a permanent endowment fund
25 for the benefit of charitable organizations for charitable
26 purposes. In addition, of the moneys transferred ~~from moneys~~
27 ~~appropriated to the fund from the sports wagering receipts~~
28 ~~fund created in [section 8.57, subsection 6](#)~~, and distributed,
29 eligible county recipients shall give consideration for grants,
30 upon application, to a charitable organization that operates
31 a racetrack facility that conducts automobile races in that
32 county. Of the amounts distributed, eligible county recipients
33 shall give special consideration to grants for projects that
34 include significant vertical infrastructure components designed
35 to enhance quality of life aspects within local communities.

1 In addition, as a condition of receiving a grant, the governing
2 body of a charitable organization receiving a grant shall
3 approve all expenditures of grant moneys and shall allow a
4 state audit of expenditures of all grant moneys.

5 Sec. 3. Section 99E.6, subsection 2, Code 2022, is amended
6 to read as follows:

7 2. The taxes imposed by this section for internet fantasy
8 sports contests authorized under this chapter shall be paid by
9 the internet fantasy sports contest service provider to the
10 treasurer of state as determined by the commission and shall be
11 ~~credited as provided in section 8.57, subsection 6~~ deposited in
12 the county endowment fund created in section 15E.311.

13 Sec. 4. Section 99F.11, subsection 5, paragraph b, Code
14 2022, is amended to read as follows:

15 b. The taxes imposed by this subsection for sports wagering
16 authorized under this chapter shall be paid by the licensed
17 operator to the treasurer of state as determined by the
18 commission and shall be ~~credited as provided in section 8.57,~~
19 ~~subsection 6~~ deposited in the county endowment fund created in
20 section 15E.311.

21

EXPLANATION

22 The inclusion of this explanation does not constitute agreement with
23 the explanation's substance by the members of the general assembly.

24 This bill provides that taxes imposed and collected for
25 internet fantasy sports contests and sports wagering shall
26 be deposited in the county endowment fund created in Code
27 section 15E.311 and not the sports wagering receipts fund.
28 The bill provides that for the fiscal year beginning July 1,
29 2022, any unobligated and unencumbered moneys in the sports
30 wagering receipts fund from the previous fiscal year shall be
31 appropriated to the county endowment fund. The bill strikes a
32 reference to the sports wagering receipts fund in Code section
33 15E.311 and provides that the sports wagering receipts fund is
34 repealed June 30, 2023.