

**House Study Bill 265 - Introduced**

HOUSE FILE \_\_\_\_\_

BY (PROPOSED COMMITTEE ON  
STATE GOVERNMENT BILL BY  
CHAIRPERSON KAUFMANN)

**A BILL FOR**

1 An Act relating to the forfeiture and withholding of certain  
2 gaming winnings and providing penalties.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 99D.7, subsection 23, Code 2021, is  
2 amended to read as follows:

3 23. To establish a process to allow a person to be  
4 voluntarily excluded from advance deposit wagering as defined  
5 in [section 99D.11](#), from an internet fantasy sports contest as  
6 defined in [section 99E.1](#), from advance deposit sports wagering  
7 as defined in [section 99F.9](#), and from the wagering area of  
8 a racetrack enclosure, from the gaming floor, and from the  
9 sports wagering area, as defined in [section 99F.1](#), of all  
10 other licensed facilities under [this chapter](#) and [chapter 99F](#)  
11 as provided in [this subsection](#). The process shall provide  
12 that an initial request by a person to be voluntarily excluded  
13 shall be for a period of five years or life and any subsequent  
14 request following any five-year period shall be for a period of  
15 five years or life. The process established shall require that  
16 licensees be provided electronic access to names and social  
17 security numbers of persons voluntarily excluded through a  
18 secured interactive internet site maintained by the commission  
19 and information regarding persons voluntarily excluded shall  
20 be disseminated to all licensees under [this chapter](#), chapter  
21 99E, and [chapter 99F](#). The names, social security numbers, and  
22 information regarding persons voluntarily excluded shall be  
23 kept confidential unless otherwise ordered by a court or by  
24 another person duly authorized to release such information.  
25 The process established shall also require a person requesting  
26 to be voluntarily excluded be provided information compiled  
27 by the Iowa department of public health on gambling treatment  
28 options. ~~The state and any licensee under [this chapter](#),~~  
29 ~~[chapter 99E](#), or [chapter 99F](#) shall not be liable to any person~~  
30 ~~for any claim which may arise from this process.~~ In addition  
31 to any other penalty provided by law, any money or thing of  
32 value that has been obtained by, or is owed to, a voluntarily  
33 excluded person as a result of wagers made by the person after  
34 the person has been voluntarily excluded shall be forfeited  
35 by the person and shall be credited to the general fund of

1 the state. The state and any licensee under this chapter,  
2 chapter 99D, or chapter 99E shall not be liable to any person  
3 or state for any claim, action, or inaction which may arise  
4 from processes described in this subsection, and any licensee  
5 under this chapter, chapter 99D, or chapter 99E shall not be  
6 responsible for payment to the state of any money or thing of  
7 value paid to a voluntarily excluded person.

8 Sec. 2. Section 99D.24, Code 2021, is amended by adding the  
9 following new subsection:

10 NEW SUBSECTION. 2A. A person who has been voluntarily  
11 excluded pursuant to section 99D.7, subsection 23, who refuses  
12 to forfeit money or a thing of value obtained as a result of  
13 wagers made by the person after the person has been voluntarily  
14 excluded is guilty of a simple misdemeanor and shall pay  
15 restitution to the state in an amount equivalent to the money  
16 or thing of value obtained.

17 Sec. 3. Section 99D.28, subsection 2, Code 2021, is amended  
18 to read as follows:

19 2. The licensee is authorized and directed to withhold  
20 any winnings of a debtor which are paid out directly by the  
21 licensee subject to the lien created by [this section](#) and  
22 provide notice of such withholding to the winner when the  
23 winner appears and claims winnings in person. The licensee may  
24 retain an amount equal to the lesser of five percent of the  
25 amount withheld or one hundred dollars, and then shall pay the  
26 remaining funds over to the collection entity which administers  
27 the setoff program pursuant to [section 8A.504](#).

28 Sec. 4. Section 99F.4, subsection 22, Code 2021, is amended  
29 to read as follows:

30 22. To establish a process to allow a person to be  
31 voluntarily excluded from advance deposit wagering as defined  
32 in [section 99D.11](#), from an internet fantasy sports contest  
33 as defined in [section 99E.1](#), from advance deposit sports  
34 wagering as defined in [section 99F.9](#), from the gaming floor  
35 and sports wagering area of an excursion gambling boat, from

1 the wagering area, as defined in [section 99D.2](#), and from the  
2 gaming floor and sports wagering area of all other licensed  
3 facilities under [this chapter](#) and [chapter 99D](#) as provided in  
4 this subsection. The process shall provide that an initial  
5 request by a person to be voluntarily excluded shall be for  
6 a period of five years or life and any subsequent request  
7 following any five-year period shall be for a period of five  
8 years or life. The process established shall require that  
9 licensees be provided electronic access to names and social  
10 security numbers of persons voluntarily excluded through a  
11 secured interactive internet site maintained by the commission  
12 and information regarding persons voluntarily excluded shall  
13 be disseminated to all licensees under [this chapter](#), [chapter](#)  
14 [99D](#), and [chapter 99E](#). The names, social security numbers, and  
15 information regarding persons voluntarily excluded shall be  
16 kept confidential unless otherwise ordered by a court or by  
17 another person duly authorized to release such information.  
18 The process established shall also require a person requesting  
19 to be voluntarily excluded be provided information compiled  
20 by the Iowa department of public health on gambling treatment  
21 options. ~~The state and any licensee under [this chapter](#),~~  
22 ~~[chapter 99D](#), or [chapter 99E](#) shall not be liable to any person~~  
23 ~~for any claim which may arise from this process.~~ In addition  
24 to any other penalty provided by law, any money or thing of  
25 value that has been obtained by, or is owed to, a voluntarily  
26 excluded person as a result of wagers made by the person after  
27 the person has been voluntarily excluded shall be forfeited  
28 by the person and shall be credited to the general fund of  
29 the state. The state and any licensee under this chapter,  
30 chapter 99D, or chapter 99E shall not be liable to any person  
31 or state for any claim, action, or inaction which may arise  
32 from processes described in this subsection, and any licensee  
33 under this chapter, chapter 99D, or chapter 99E shall not be  
34 responsible for payment to the state of any money or thing of  
35 value paid to a voluntarily excluded person.



1 money or thing of value that was paid to a voluntarily excluded  
2 person.

3 The bill makes it a simple misdemeanor for a voluntarily  
4 excluded person to refuse to forfeit money or a thing of value  
5 obtained as a result of wagers made by the person after the  
6 person has been voluntarily excluded, and directs that a court  
7 of jurisdiction shall order the voluntarily excluded person  
8 to pay an amount equivalent to the obtained money or thing of  
9 value to the state general fund.

10 The bill allows entities licensed by the state racing and  
11 gaming commission to retain an amount equal to the lesser  
12 of 5 percent or \$100 of winnings withheld from a collection  
13 entity debtor. A "collection entity" means the department  
14 of administrative services and any other public agency that  
15 maintains a separate accounting system and elects to establish  
16 a debt collection setoff procedure for the collection of debts  
17 owed to the public agency.