

House Study Bill 641 - Introduced

HOUSE FILE _____

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

A BILL FOR

- 1 An Act relating to pari-mutuel wagering, concerning
- 2 distribution of horse racing purse moneys and establishing a
- 3 fund for certain race horse organizations.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 99D.7, subsection 5, paragraph c,
2 subparagraph (2), Code 2022, is amended to read as follows:

3 (2) Of the purse moneys designated for thoroughbred racing,
4 ~~two~~ four percent shall be distributed to an organization
5 representing owners of thoroughbred race horses for the purpose
6 of paying the annual operating expenses of the organization
7 and for the promotion and marketing of Iowa-bred horses. The
8 organization receiving such purse moneys shall complete and
9 provide to the commission an annual audit and accounting of the
10 allocation of such moneys.

11 Sec. 2. NEW SECTION. **99D.27A Iowa race horse aftercare**
12 **organization assistance fund.**

13 1. An Iowa race horse aftercare organization assistance
14 fund is created in the state treasury under the control of the
15 racing and gaming commission.

16 2. The fund shall consist of fines collected by the
17 commission under this chapter and such other moneys deposited
18 in the fund.

19 3. Moneys in the fund shall be distributed, under the
20 sole control of the commission, to organizations, exempt from
21 federal income taxation under section 501(c)(3) of the Internal
22 Revenue Code, that are dedicated to race horse aftercare
23 subject to the requirements of this section.

24 4. The commission shall determine the method by which
25 moneys in the fund shall be distributed, with priority given to
26 organizations primarily involved in rehabilitation, retraining,
27 and rehoming of former race horses that raced in the state
28 of Iowa that have governing boards comprised of pari-mutuel
29 industry occupational license holders. Moneys shall only be
30 distributed to organizations shown to have been in existence
31 for a minimum of three years. The distribution decisions of
32 the commission shall be final.

33 5. Members of the commission, employees of the commission,
34 and any individual that the commission had assist in the
35 distribution determination shall be held harmless against any

1 claim of liability made by any person or organization arising
2 out of the distribution of the moneys from the fund by the
3 commission.

4 6. Section 8.33 does not apply to moneys in the fund.
5 Notwithstanding section 12C.7, subsection 2, interest or
6 earnings on moneys deposited in the fund shall be credited to
7 the fund.

8 EXPLANATION

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

11 This bill concerns horse racing and pari-mutuel wagering
12 under the control of the racing and gaming commission.

13 Code section 99D.7 provides that the racing and gaming
14 commission shall regulate the purse structure for race
15 meetings. The bill provides that of purse moneys dedicated
16 for thoroughbred racing, 4 percent, and not 2 percent, shall
17 be distributed to an organization representing owners of
18 thoroughbred race horses.

19 New Code section 99D.27A creates an Iowa race horse
20 aftercare organization assistance fund in the state treasury
21 under the control of the racing and gaming commission. The
22 fund shall consist of fines collected by the commission under
23 Code chapter 99D and such other moneys as may be deposited in
24 the fund. The bill provides that moneys in the fund shall be
25 distributed by the commission to organizations, exempt from
26 federal income taxation under section 501(c)(3) of the Internal
27 Revenue Code, that are dedicated to race horse aftercare.
28 The bill provides that the commission shall determine the
29 method by which moneys shall be distributed, with priority
30 given to organizations primarily involved in rehabilitation,
31 retraining, and rehomeing of former race horses that raced
32 in the state of Iowa that have governing boards comprised
33 of pari-mutuel industry occupational license holders. The
34 bill limits distributions to organizations shown to have been
35 in existence for a minimum of three years. The bill holds

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1 members of the commission, employees of the commission, and any
2 individual that the commission had assist in the distribution
3 determination harmless against any claim arising out of the
4 distribution of the moneys from the fund by the commission.