

**House File 144 - Introduced**

HOUSE FILE 144  
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 80)

**A BILL FOR**

1 An Act concerning the licensing and regulation of gambling games,  
2 including a moratorium on the issuance of new licenses,  
3 providing fees, and including effective date and retroactive  
4 applicability provisions.

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

unofficial

1 Section 1. Section 99F.4, subsection 24, Code 2025, is  
2 amended to read as follows:

3 24. a. To conduct a socioeconomic study on the impact of  
4 gambling on Iowans, every eight years beginning in calendar year  
5 2013, and issue a report on that study. The commission shall  
6 ensure that the results of each study are readily accessible to  
7 the public.

8 b. The report on the study must include all of the following:

9 (1) Information on the financial and societal impact of  
10 gambling.

11 (2) An analysis of problem gambling and treatment programs.

12 (3) An evaluation of existing excursion gambling boats,  
13 gambling structures, and pari-mutuel racetracks located in rural  
14 areas or near the state border, if a new license is awarded.

15 (4) A comprehensive assessment of potential gambling market  
16 conditions.

17 (5) An evaluation of the effects on the gambling market from  
18 competitive gambling locations located within sixty miles of the  
19 state.

20 (6) An evaluation of the effects on attracting out-of-state  
21 tourists to existing excursion gambling boats, gambling  
22 structures, and pari-mutuel racetracks located near the state  
23 border.

24 (7) An evaluation of the effects on existing qualified  
25 sponsoring organizations and potential reductions in annual  
26 distributions made by the sponsoring organization, if a new  
27 license is awarded.

28 (8) The percentage ownership of existing gambling boats,  
29 gambling structures, and pari-mutuel racetracks by residents of  
30 this state versus any applicant.

31 (9) A comprehensive study of new potential adjusted gross  
32 receipts after awarding a new license and the level of gambling  
33 saturation with a sixty-mile radius of any existing excursion  
34 gambling boat, gambling structure, or racetrack enclosure.

35 (10) Criminal statistics near existing excursion gambling

1 boats, gambling structures, or racetrack enclosures, and near  
2 any potential locations of an excursion gambling boat, gambling  
3 structure, or racetrack enclosure.

4 (11) An analysis of the impact on community services,  
5 including public safety expenditures, fire protection,  
6 infrastructure improvements, and other capital project  
7 expenditures in counties.

8 **Sec. 2. NEW SECTION. 99F.5A Limitations on issuance of**  
9 **licenses to conduct gambling games.**

10 1. a. Commencing January 1, 2025, through June 30, 2030, the  
11 total number of licenses issued by the commission to conduct  
12 gambling games on an excursion gambling boat, at a gambling  
13 structure, or at a pari-mutuel racetrack shall not exceed  
14 nineteen subject to the requirements of this subsection.

15 b. Licenses to conduct gambling games shall be restricted  
16 to those counties where an excursion gambling boat, gambling  
17 structure, or racetrack enclosure was operating and licensed to  
18 conduct gambling games on January 1, 2025.

19 c. The commission shall be authorized to take any of the  
20 following actions concerning the issuance of licenses to conduct  
21 gambling games:

22 (1) A gambling games licensee may move to a new location  
23 within the same county and retain the gambling games license.

24 (2) A licensed facility may be sold and a new gambling games  
25 license issued for operation in the same county.

26 (3) If a license to conduct gambling games is surrendered,  
27 not renewed, or revoked, a new gambling games license may be  
28 issued for operation in the same county.

29 2. On or after July 1, 2030, the commission shall not issue  
30 a new license until after the commission has issued the required  
31 report on the socioeconomic study on the impact of gambling on  
32 Iowans due for calendar year 2029 in accordance with section  
33 99F.4, subsection 24.

34 3. This section is repealed July 1, 2031.

35 Sec. 3. Section 99F.6, subsection 5, Code 2025, is amended to

1 read as follows:

2 5. Before a license is granted, an operator of an excursion  
3 gambling boat shall work with the economic development authority  
4 to promote tourism throughout Iowa and encourage tourism from  
5 other states. Tourism information from local civic and private  
6 persons may be submitted for dissemination. The commission shall  
7 not issue a new license for a new location that would negatively  
8 impact an existing licensee located in a county contiguous to  
9 the Iowa border or located in a county that qualifies as a  
10 rural county. For purposes of this subsection, "rural county"  
11 means a county with a population of less than thirty thousand as  
12 determined by the most recent population estimate produced by the  
13 United States bureau of the census or the most recent decennial  
14 census released by the United States bureau of the census.

15 Sec. 4. Section 99F.6, Code 2025, is amended by adding the  
16 following new subsection:

17 NEW SUBSECTION. 10. a. The commission shall not issue a new  
18 license to conduct gambling games if the commission finds the  
19 approval of a new license would cause or do any of the following:

20 (1) Negatively impact the adjusted gross receipts of an  
21 existing excursion gambling boat, gambling structure, or  
22 racetrack enclosure by more than ten percent.

23 (2) Negatively impact the annual distributions of an existing  
24 qualified sponsoring organization.

25 b. If the commission does not issue a new license to conduct  
26 gambling games in a county, another application shall not be  
27 submitted for that county for eight years from the date of the  
28 decision not to issue the license.

29 Sec. 5. Section 99F.10, subsection 8, Code 2025, is amended  
30 to read as follows:

31 8. a. In addition to any other fees required by this  
32 chapter, a person awarded a new license to conduct gambling games  
33 pursuant to section 99F.7 on or after January 1, 2004, shall pay  
34 the applicable initial license fee to the commission as provided  
35 by this subsection. A person awarded a new license shall pay

1 one-fifth of the applicable initial license fee immediately upon  
2 the granting of the license, one-fifth of the applicable initial  
3 license fee within one year of the granting of the license,  
4 one-fifth of the applicable initial license fee within two years  
5 of the granting of the license, one-fifth of the applicable  
6 initial license fee within three years of the granting of the  
7 license, and the remaining one-fifth of the applicable initial  
8 license fee within four years of the granting of the license.  
9 However, the license fee provided for in this subsection shall  
10 only apply when a new license is issued to a person for a  
11 facility that increases the number of licensed facilities in  
12 the applicable county or counties. Fees paid pursuant to this  
13 subsection are not refundable to the licensee.

14 b. (1) The initial license fee set forth in this  
15 subparagraph is subject to adjustment pursuant to subparagraph  
16 (2). For purposes of this subsection, the applicable initial  
17 license fee shall be five million dollars if the population  
18 of the county where the licensee shall conduct gambling games  
19 is fifteen thousand or less based upon the most recent federal  
20 decennial census, shall be ten million dollars if the population  
21 of the county where the licensee shall conduct gambling games  
22 is more than fifteen thousand and less than one hundred thousand  
23 based upon the most recent federal decennial census, and shall be  
24 twenty million dollars if the population of the county where the  
25 licensee shall conduct gambling games is one hundred thousand or  
26 more based upon the most recent federal decennial census.

27 (2) (a) For purposes of this subparagraph:

28 (i) "Annual inflation factor" means the same as defined in  
29 section 422.4.

30 (ii) "Cumulative inflation factor" means the product of the  
31 annual inflation factor for the calendar year beginning on  
32 January 1, 2004, and all annual inflation factors for subsequent  
33 calendar years as determined pursuant to this subparagraph. The  
34 cumulative inflation factor applies to years beginning on or  
35 after January 1 of the calendar year for which the latest annual

1 inflation factor has been determined.

2 (iii) The annual inflation factor for the calendar year  
3 beginning on January 1, 2004, is one hundred percent.

4 (b) Commencing with the calendar year beginning January 1,  
5 2005, and for each calendar year thereafter, the commission  
6 shall determine the latest cumulative inflation factor for each  
7 calendar year, and multiply each applicable initial license  
8 fee in subparagraph (1) by the applicable cumulative inflation  
9 factor, and shall round off the resulting product to the nearest  
10 one dollar, and such resulting product shall be the initial  
11 license fee in subparagraph (1) for the year a new license is  
12 awarded.

13 c. Moneys collected by the commission from an initial license  
14 fee paid under this subsection shall be deposited in the rebuild  
15 Iowa infrastructure fund created in section 8.57.

16 Sec. 6. INTERNET GAMING — REVIEW.

17 1. The state racing and gaming commission shall initiate and  
18 coordinate an independent review of regulation frameworks and the  
19 various components implementing internet gaming in the state and  
20 its impact on the state's gaming industry.

21 2. a. The review must take into account the policy  
22 objectives of ensuring and preserving Iowa's competitiveness in  
23 the gaming industry and may consider all of the following:  
24 recent trends in Iowa gaming revenue and the correlation to  
25 gaming attendance at brick and mortar casino locations and a  
26 comparison to gaming trends in other states; estimates of the  
27 potential impact on Iowa gaming revenues, profitability, and how  
28 that might impact Iowa jobs, business vendors, nonprofit fund  
29 sharing, and tax revenues; and the societal impact of internet  
30 gaming and how to ensure safety and security for Iowa consumers.

31 b. The review must analyze and report on the illegal gambling  
32 market and the illegal internet gambling market including all of  
33 the following: societal impacts, underage access, the integrity  
34 of illegal gambling games, the payment of winnings, anti-money  
35 laundering aspects, and identity theft.

1 c. The review must include an assessment of the effectiveness  
2 of problem gambling services in the state.

3 d. The review must include an assessment of the direct and  
4 indirect employment effects on the surrounding communities where  
5 existing licensees are located.

6 3. The review must include recommendations for changes in law  
7 and administrative rules and identification of internet gaming  
8 laws and procedures of other states that, if adopted in Iowa,  
9 could enhance and preserve the competitiveness of the existing  
10 gaming industry in the state.

11 4. The state racing and gaming commission shall, and existing  
12 licensees and other interested persons may, participate in the  
13 review. The commission may utilize additional services to  
14 assist in the coordination of the review and preparation of the  
15 report. The commission shall submit a report with findings and  
16 recommendations to the general assembly by January 1, 2026.

17 Sec. 7. EFFECTIVE DATE. This Act, being deemed of immediate  
18 importance, takes effect upon enactment.

19 Sec. 8. RETROACTIVE APPLICABILITY. This Act applies  
20 retroactively to January 1, 2025.

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 concerns the licensing and regulation of gambling  
25 games. Under current law, the state racing and gaming commission  
26 (commission) is required to conduct a socioeconomic study on  
27 the impact of gambling on Iowans every eight years. The bill  
28 identifies certain topics the commission must examine for this  
29 socioeconomic study, and prohibits the commission from issuing a  
30 new license on or after July 1, 2030, until the required report  
31 on the socioeconomic study has been issued by the commission for  
32 2029.

33 The bill places a moratorium on the issuance of new licenses  
34 to conduct gambling games in excess of 19 licenses from January  
35 1, 2025, through June 30, 2030. The bill restricts gambling

1 games licenses to those counties conducting gambling games on  
2 January 1, 2025. The bill allows the commission to authorize  
3 a gambling games licensee to move to a new location within the  
4 same county, to issue a gambling games license in a county if  
5 a licensed facility in that county is sold, and to issue a new  
6 license in a county if a previous license to conduct gambling  
7 games in that county was surrendered, not renewed, or revoked.

8 Before a license is granted, the bill requires an operator of  
9 an excursion gambling boat to work with the economic development  
10 authority to encourage tourism from other states. The bill  
11 prohibits the commission from issuing a new gambling games  
12 license to an excursion gambling boat if the new license would  
13 impact an existing licensee located in a county contiguous to the  
14 Iowa border or a "rural county" (a county with a population less  
15 than 30,000).

16 The bill prohibits the commission from issuing a new gambling  
17 games license if the new license would negatively impact the  
18 adjusted gross receipts of an existing gambling games licensee  
19 by more than 10 percent, or negatively impact the annual  
20 distributions of an existing qualified sponsoring organization.  
21 If the commission does not issue a gambling games license in  
22 a county, another applicant cannot apply for a license in the  
23 same county for eight years from the date of the decision not to  
24 issue.

25 The bill places an inflation adjustment on the initial license  
26 fees in Code section 99F.10(8).

27 The bill requires the commission to study internet gaming and  
28 its impact on the state's gaming industry and to issue a report  
29 with findings and recommendations to the general assembly by  
30 January 1, 2026.

31 The bill takes effect upon enactment and applies retroactively  
32 to January 1, 2025.