

Senate Study Bill 1069 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON WEBSTER)

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 and including effective date and retroactive applicability
4 provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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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. INTERNET GAMING — REVIEW.

30 1. The state racing and gaming commission shall initiate and
31 coordinate an independent review of regulation frameworks and the
32 various components implementing internet gaming in the state and
33 its impact on the state's gaming industry.

34 2. a. The review must take into account the policy
35 objectives of ensuring and preserving Iowa's competitiveness in

1 the gaming industry and may consider all of the following:
2 recent trends in Iowa gaming revenue and the correlation to
3 gaming attendance at brick and mortar casino locations and a
4 comparison to gaming trends in other states; estimates of the
5 potential impact on Iowa gaming revenues, profitability, and how
6 that might impact Iowa jobs, business vendors, nonprofit fund
7 sharing, and tax revenues; and the societal impact of internet
8 gaming and how to ensure safety and security for Iowa consumers.

9 b. The review must analyze and report on the illegal gambling
10 market and the illegal internet gambling market including all of
11 the following: societal impacts, underage access, the integrity
12 of illegal gambling games, the payment of winnings, anti-money
13 laundering aspects, and identity theft.

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

16 d. The review must include an assessment of the direct and
17 indirect employment effects on the surrounding communities where
18 existing licensees are located.

19 3. The review must include recommendations for changes in law
20 and administrative rules and identification of internet gaming
21 laws and procedures of other states that, if adopted in Iowa,
22 could enhance and preserve the competitiveness of the existing
23 gaming industry in the state.

24 4. The state racing and gaming commission shall, and existing
25 licensees and other interested persons may, participate in the
26 review. The commission may utilize additional services to
27 assist in the coordination of the review and preparation of the
28 report. The commission shall submit a report with findings and
29 recommendations to the general assembly by January 1, 2026.

30 Sec. 6. EFFECTIVE DATE. This Act, being deemed of immediate
31 importance, takes effect upon enactment.

32 Sec. 7. RETROACTIVE APPLICABILITY. This Act applies
33 retroactively to January 1, 2025.

34 EXPLANATION

35 The inclusion of this explanation does not constitute agreement with

1 the explanation's substance by the members of the general assembly.

2 This bill concerns the licensing and regulation of gambling
3 games. Under current law, the state racing and gaming commission
4 (commission) is required to conduct a socioeconomic study on
5 the impact of gambling on Iowans every eight years. The bill
6 identifies certain topics the commission must examine for this
7 socioeconomic study, and prohibits the commission from issuing a
8 new license on or after July 1, 2030, until the required report
9 on the socioeconomic study has been issued by the commission for
10 2029.

11 The bill places a moratorium on the issuance of new licenses
12 to conduct gambling games in excess of 19 licenses from January
13 1, 2025, through June 30, 2030. The bill restricts gambling
14 games licenses to those counties conducting gambling games on
15 January 1, 2025. The bill allows the commission to authorize
16 a gambling games licensee to move to a new location within the
17 same county, to issue a gambling games license in a county if
18 a licensed facility in that county is sold, and to issue a new
19 license in a county if a previous license to conduct gambling
20 games in that county was surrendered, not renewed, or revoked.

21 Before a license is granted, the bill requires an operator of
22 an excursion gambling boat to work with the economic development
23 authority to encourage tourism from other states. The bill
24 prohibits the commission from issuing a new gambling games
25 license to an excursion gambling boat if the new license would
26 impact an existing licensee located in a county contiguous to the
27 Iowa border or a "rural county" (a county with a population less
28 than 30,000).

29 The bill prohibits the commission from issuing a new gambling
30 games license if the new license would negatively impact the
31 adjusted gross receipts of an existing gambling games licensee
32 by more than 10 percent, or negatively impact the annual
33 distributions of an existing qualified sponsoring organization.
34 If the commission does not issue a gambling games license in
35 a county, another applicant cannot apply for a license in the

1 same county for eight years from the date of the decision not to
2 issue.

3 The bill requires the commission to study internet gaming and
4 its impact on the state's gaming industry and to issue a report
5 with findings and recommendations to the general assembly by
6 January 1, 2026.

7 The bill takes effect upon enactment and applies retroactively
8 to January 1, 2025.

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