

Senate File 617 - Reprinted

SENATE FILE 617
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 366)
(SUCCESSOR TO SSB 1168)

(As Amended and Passed by the Senate April 17, 2019)

A BILL FOR

1 An Act relating to gambling regulation and wagering, by
2 providing for sports wagering and fantasy sports contests,
3 providing for taxes and fees, making penalties applicable,
4 and including implementation and effective date provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I
SPORTS WAGERING

Section 1. Section 99D.7, subsection 23, Code 2019, is amended to read as follows:

23. To establish a process to allow a person to be voluntarily excluded from advance deposit wagering as defined in section 99D.11, from an internet fantasy sports contest as defined in section 99E.1, from advance deposit sports wagering as defined in section 99F.9, from the wagering area of a racetrack enclosure and from the gaming floor and sports wagering area, as defined in section 99F.1, of all other licensed facilities under this chapter and chapter 99F as provided in this subsection. The process shall provide that an initial request by a person to be voluntarily excluded shall be for a period of five years or life and any subsequent request following any five-year period shall be for a period of five years or life. The process established shall require that licensees be provided electronic access to names and social security numbers of persons voluntarily excluded through a secured interactive internet site maintained by the commission and information regarding persons voluntarily excluded shall be disseminated to all licensees under this chapter, chapter 99E, and chapter 99F. The names, social security numbers, and information regarding persons voluntarily excluded shall be kept confidential unless otherwise ordered by a court or by another person duly authorized to release such information. The process established shall also require a person requesting to be voluntarily excluded be provided information compiled by the Iowa department of public health on gambling treatment options. The state and any licensee under this chapter, chapter 99E, or chapter 99F shall not be liable to any person for any claim which may arise from this process. In addition to any other penalty provided by law, any money or thing of value that has been obtained by, or is owed to, a voluntarily excluded person as a result of wagers made by the person after

1 the person has been voluntarily excluded shall be forfeited by
2 the person and shall be credited to the general fund of the
3 state.

4 Sec. 2. Section 99F.1, subsection 1, Code 2019, is amended
5 to read as follows:

6 1. "*Adjusted gross receipts*" means the gross receipts less
7 winnings paid to wagerers on gambling games. However, "*adjusted*
8 *gross receipts*" does not include promotional play receipts
9 received after the date in any fiscal year that the commission
10 determines that the wagering tax imposed pursuant to section
11 99F.11 on all licensees in that fiscal year on promotional
12 play receipts exceeds twenty-five million eight hundred twenty
13 thousand dollars.

14 Sec. 3. Section 99F.1, Code 2019, is amended by adding the
15 following new subsections:

16 NEW SUBSECTION. 2A. "*Authorized sporting event*" means
17 a professional sporting event, collegiate sporting event,
18 international sporting event, or professional motor race
19 event. "*Authorized sporting event*" does not include a race as
20 defined in section 99D.2, a fantasy sports contest as defined
21 in section 99E.1, minor league sporting event, or any athletic
22 event or competition of an interscholastic sport as defined in
23 section 9A.102.

24 NEW SUBSECTION. 4A. "*Collegiate sporting event*" means an
25 athletic event or competition of an intercollegiate sport as
26 defined in section 9A.102.

27 NEW SUBSECTION. 16A. "*International sporting event*" means
28 an international team or individual sporting event governed by
29 an international sports federation or sports governing body,
30 including sporting events governed by the international olympic
31 committee and the international federation of association
32 football.

33 NEW SUBSECTION. 18A. "*Minor league sporting event*" means
34 a sporting event conducted by a sports league which is not
35 regarded as the premier league in the sport as determined by

1 the commission.

2 NEW SUBSECTION. 19A. "*Professional sporting event*" means an
3 event, excluding a minor league sporting event, at which two
4 or more persons participate in sports or athletic events and
5 receive compensation in excess of actual expenses for their
6 participation in such event.

7 NEW SUBSECTION. 23. "*Sports wagering*" means the acceptance
8 of wagers on an authorized sporting event by any system of
9 wagering as authorized by the commission. "*Sports wagering*"
10 does not include placing a wager on the performance or
11 nonperformance of any individual athlete participating in
12 a single game or match of a collegiate sporting event in
13 which a collegiate team from this state is a participant, or
14 placing a wager on the performance of athletes in an individual
15 international sporting event governed by the international
16 olympic committee in which any participant in the international
17 sporting event is under eighteen years of age.

18 NEW SUBSECTION. 24. "*Sports wagering area*" means an area,
19 as designated by the commission, in which sports wagering is
20 conducted.

21 NEW SUBSECTION. 25. "*Sports wagering net receipts*" means
22 the gross receipts less winnings paid to wagerers on sports
23 wagering.

24 Sec. 4. Section 99F.1, subsection 17, Code 2019, is amended
25 to read as follows:

26 17. "*Licensee*" means any person licensed under section 99F.7
27 or 99F.7A.

28 Sec. 5. Section 99F.3, Code 2019, is amended to read as
29 follows:

30 **99F.3 Gambling games and sports wagering authorized.**

31 The system of wagering on a gambling game and sports wagering
32 as provided by this chapter is legal, when conducted ~~on an~~
33 ~~excursion gambling boat, gambling structure, or racetrack~~
34 ~~enclosure at authorized locations~~ by a licensee as provided in
35 this chapter.

1 Sec. 6. Section 99F.4, subsections 3 and 22, Code 2019, are
2 amended to read as follows:

3 3. To adopt standards under which all excursion gambling
4 boat operations shall be held and standards for the facilities
5 within which the gambling operations are to be held. The
6 commission may authorize the operation of gambling games on
7 an excursion gambling boat and sports wagering in a sports
8 wagering area which is also licensed to sell or serve alcoholic
9 beverages, wine, or beer as defined in [section 123.3](#).

10 22. To establish a process to allow a person to be
11 voluntarily excluded from advance deposit wagering as defined
12 in section 99D.11, from an internet fantasy sports contest as
13 defined in section 99E.1, from advance deposit sports wagering
14 as defined in section 99F.9, from the gaming floor and sports
15 wagering area of an excursion gambling boat, from the wagering
16 area, as defined in [section 99D.2](#), and from the gaming floor
17 and sports wagering area of all other licensed facilities under
18 this chapter and [chapter 99D](#) as provided in [this subsection](#).
19 The process shall provide that an initial request by a person
20 to be voluntarily excluded shall be for a period of five years
21 or life and any subsequent request following any five-year
22 period shall be for a period of five years or life. The process
23 established shall require that licensees be provided electronic
24 access to names and social security numbers of persons
25 voluntarily excluded through a secured interactive internet
26 site maintained by the commission and information regarding
27 persons voluntarily excluded shall be disseminated to all
28 licensees under [this chapter](#), [and chapter 99D](#), and [chapter 99E](#).
29 The names, social security numbers, and information regarding
30 persons voluntarily excluded shall be kept confidential
31 unless otherwise ordered by a court or by another person
32 duly authorized to release such information. The process
33 established shall also require a person requesting to be
34 voluntarily excluded be provided information compiled by the
35 Iowa department of public health on gambling treatment options.

1 The state and any licensee under this chapter, ~~or chapter 99D~~ ,
2 or chapter 99E shall not be liable to any person for any claim
3 which may arise from this process. In addition to any other
4 penalty provided by law, any money or thing of value that has
5 been obtained by, or is owed to, a voluntarily excluded person
6 as a result of wagers made by the person after the person has
7 been voluntarily excluded shall be forfeited by the person and
8 shall be credited to the general fund of the state.

9 Sec. 7. Section 99F.4, Code 2019, is amended by adding the
10 following new subsection:

11 NEW SUBSECTION. 27. To adopt standards under which all
12 sports wagering is conducted, including the scope and type of
13 wagers allowed, to identify occupations within sports wagering
14 which require licensing, and to adopt standards for licensing
15 and background qualifications for occupations including
16 establishing fees for the occupational license. All revenue
17 received by the commission under this chapter from license fees
18 shall be deposited in the general fund of the state and shall
19 be subject to the requirements of section 8.60. All revenue
20 received by the commission from regulatory fees shall be
21 deposited into the gaming regulatory revolving fund established
22 in section 99F.20.

23 Sec. 8. Section 99F.5, subsection 1, Code 2019, is amended
24 to read as follows:

25 1. A qualified sponsoring organization may apply to the
26 commission for a license to conduct gambling games on an
27 excursion gambling boat or gambling structure as provided in
28 this chapter. A person may apply to the commission for a
29 license to operate an excursion gambling boat. An operating
30 agreement entered into on or after May 6, 2004, between
31 a qualified sponsoring organization and an operator of an
32 excursion gambling boat or gambling structure shall provide for
33 a minimum distribution by the qualified sponsoring organization
34 for educational, civic, public, charitable, patriotic, or
35 religious uses as defined in section 99B.1, that averages at

1 least three percent of the adjusted gross receipts for each
2 license year and, if applicable, three-quarters of one percent
3 of sports wagering net receipts for each license year. The
4 application shall be filed with the administrator of the
5 commission at least ninety days before the first day of the
6 next excursion season as determined by the commission, shall
7 identify the excursion gambling boat upon which gambling games
8 will be authorized, shall specify the exact location where
9 the excursion gambling boat will be docked, and shall be in
10 a form and contain information as the commission prescribes.
11 The minimum capacity of an excursion gambling boat or gambling
12 structure is two hundred fifty persons.

13 Sec. 9. Section 99F.6, subsection 4, paragraph a,
14 subparagraphs (2) and (3), Code 2019, are amended to read as
15 follows:

16 (2) A qualified sponsoring organization licensed to operate
17 gambling games under [this chapter](#) shall distribute the receipts
18 of all gambling games, less reasonable expenses, charges,
19 taxes, fees, and deductions allowed under [this chapter](#), as
20 winnings to players or participants or shall distribute the
21 receipts for educational, civic, public, charitable, patriotic,
22 or religious uses as defined in section [99B.1](#). However, a
23 licensee to conduct gambling games under [this chapter](#) shall,
24 unless an operating agreement for an excursion gambling boat
25 otherwise provides, distribute at least three percent of the
26 adjusted gross receipts and, if applicable, three-quarters of
27 one percent of sports wagering net receipts for each license
28 year for educational, civic, public, charitable, patriotic,
29 or religious uses as defined in section [99B.1](#). However, if a
30 licensee who is also licensed to conduct pari-mutuel wagering
31 at a horse racetrack has unpaid debt from the pari-mutuel
32 racetrack operations, the first receipts of the gambling
33 games operated within the racetrack enclosure less reasonable
34 operating expenses, taxes, and fees allowed under [this chapter](#)
35 shall be first used to pay the annual indebtedness.

1 (3) The commission shall authorize, subject to the debt
 2 payments for horse racetracks and the provisions of paragraph
 3 "b" for dog racetracks, a licensee who is also licensed to
 4 conduct pari-mutuel dog or horse racing to use receipts
 5 from gambling games and sports wagering within the racetrack
 6 enclosure to supplement purses for races particularly for
 7 Iowa-bred horses pursuant to an agreement which shall be
 8 negotiated between the licensee and representatives of the
 9 dog or horse owners. For agreements subject to commission
 10 approval concerning purses for horse racing beginning on or
 11 after January 1, 2006, the agreements shall provide that total
 12 annual purses for all horse racing shall be four percent of
 13 sports wagering net receipts and no less than eleven percent of
 14 the first two hundred million dollars of net receipts, and six
 15 percent of net receipts above two hundred million dollars. In
 16 addition, live standardbred horse racing shall not be conducted
 17 at the horse racetrack in Polk county, but the purse moneys
 18 designated for standardbred racing pursuant to section 99D.7,
 19 subsection 5, paragraph "b", shall be included in calculating
 20 the total annual purses required to be paid pursuant to this
 21 subsection. Agreements that are subject to commission approval
 22 concerning horse purses for a period of time beginning on
 23 or after January 1, 2006, shall be jointly submitted to the
 24 commission for approval.

25 Sec. 10. NEW SECTION. **99F.7A Sports wagering — license —**
 26 **terms and conditions — fees.**

27 1. The commission shall, upon payment of an initial license
 28 fee of forty-five thousand dollars and submission of an
 29 application to the commission consistent with the requirements
 30 of section 99F.6, issue a license to conduct sports wagering
 31 to a licensee authorized to conduct gambling games at a
 32 pari-mutuel racetrack enclosure or a licensee authorized to
 33 operate an excursion gambling boat or gambling structure,
 34 subject to the requirements of this chapter. The annual
 35 renewal fee for a license to conduct sports wagering shall be

1 ten thousand dollars.

2 2. A licensee under this section shall do all of the
3 following:

4 a. Include on the internet site or mobile application used
5 by the licensee to conduct advance deposit sports wagering as
6 authorized in section 99F.9 the statewide telephone number
7 authorized by the Iowa department of public health to provide
8 problem gambling information and extensive responsible gaming
9 features in addition to those described in section 99F.4,
10 subsection 22.

11 b. Establish, subject to commission approval, sports
12 wagering rules that specify the amounts to be paid on winning
13 sports wagers, the effect of changes in the scheduling of an
14 authorized sporting event subject to sports wagering, and the
15 source of the information used to determine the outcome of a
16 sports wager. The sports wagering rules shall be displayed in
17 the licensee's sports wagering area, posted on the internet
18 site or mobile application used by the licensee to conduct
19 advance deposit sports wagering as authorized in section 99F.9,
20 and included in the terms and conditions of the licensee's
21 advance deposit sports wagering system.

22 3. A licensee under this section may enter into operating
23 agreements with one or two entities to have up to a total of
24 two individually branded internet sites to conduct advance
25 deposit sports wagering for the licensee, unless one additional
26 operating agreement or individually branded internet site is
27 authorized by the commission.

28 4. A licensee issued a license to conduct sports wagering
29 under this section shall employ reasonable steps to prohibit
30 coaches, athletic trainers, officials, players, or other
31 individuals who participate in an authorized sporting event
32 that is the subject of sports wagering from sports wagering
33 under this chapter. In addition, a licensee shall employ
34 reasonable steps to prohibit persons who are employed in
35 a position with direct involvement with coaches, players,

1 athletic trainers, officials, players, or participants in
2 an authorized sporting event that is the subject of sports
3 wagering from sports wagering under this chapter.

4 Sec. 11. Section 99F.8, Code 2019, is amended to read as
5 follows:

6 **99F.8 Bond of licensee.**

7 A licensee licensed under [section 99F.7](#) shall post a bond
8 to the state of Iowa before the license is issued in a sum
9 as the commission shall fix, with sureties to be approved by
10 the commission. The bond shall be used to guarantee that the
11 licensee faithfully makes the payments, keeps its books and
12 records and makes reports, and conducts its gambling games and
13 sports wagering in conformity with [this chapter](#) and the rules
14 adopted by the commission. The bond shall not be canceled by
15 a surety on less than thirty days' notice in writing to the
16 commission. If a bond is canceled and the licensee fails to
17 file a new bond with the commission in the required amount on
18 or before the effective date of cancellation, the licensee's
19 license shall be revoked. The total and aggregate liability
20 of the surety on the bond is limited to the amount specified in
21 the bond.

22 Sec. 12. Section 99F.9, subsection 1, Code 2019, is amended
23 to read as follows:

24 1. Except as permitted in [this section](#), the licensee shall
25 not permit ~~no~~ sports wagering or any form of wagering on
26 gambling games.

27 Sec. 13. Section 99F.9, Code 2019, is amended by adding the
28 following new subsection:

29 NEW SUBSECTION. 3A. a. For the purposes of this section,
30 unless the context otherwise requires:

31 (1) "*Advance deposit sports wagering*" means a method of
32 sports wagering in which an eligible individual may, in an
33 account established with a licensee under section 99F.7A,
34 deposit moneys into the account and use the account balance to
35 pay for sports wagering. Prior to January 1, 2021, an account

1 must be established by an eligible individual in person with
2 a licensee.

3 (2) "*Advance deposit sports wagering operator*" means an
4 advance deposit sports wagering operator licensed by the
5 commission who has entered into an agreement with a licensee
6 under section 99F.7A to provide advance deposit sports
7 wagering.

8 (3) "*Eligible individual*" means an individual who is at
9 least twenty-one years of age or older who is located within
10 this state.

11 *b.* The commission may authorize a licensee under section
12 99F.7A to conduct advance deposit sports wagering. An advance
13 deposit sports wager may be placed in person in the sports
14 wagering area, or from any other location via a telephone-type
15 device or any other electronic means. The commission may also
16 issue an advance deposit sports wagering operator license to
17 an entity who complies with this subsection and section 99F.6
18 and may require the advance deposit sports wagering operator to
19 conduct an audit consistent with the requirements of section
20 99F.13.

21 *c.* An unlicensed person taking or receiving sports wagers
22 from residents of this state is guilty of a class "D" felony.

23 Sec. 14. Section 99F.9, subsection 4, Code 2019, is amended
24 to read as follows:

25 4. A person under the age of twenty-one years shall not make
26 or attempt to make a wager pursuant to subsection 3A or on an
27 excursion gambling boat, gambling structure, or in a racetrack
28 enclosure and shall not be allowed on the gaming floor of
29 an excursion gambling boat or gambling structure or in the
30 wagering area, as defined in [section 99D.2](#), or on the gaming
31 floor of a racetrack enclosure. However, a person eighteen
32 years of age or older may be employed to work on the gaming
33 floor of an excursion gambling boat or gambling structure or
34 in the wagering area or on the gaming floor of a racetrack
35 enclosure. A person who violates [this subsection](#) with respect

1 to making or attempting to make a wager commits a scheduled
2 violation under [section 805.8C, subsection 5](#), paragraph "a".

3 Sec. 15. Section 99F.11, subsection 3, unnumbered paragraph
4 1, Code 2019, is amended to read as follows:

5 The taxes imposed by [this section](#) on adjusted gross receipts
6 from gambling games authorized under this chapter shall be paid
7 by the licensee to the treasurer of state within ten days after
8 the close of the day when the wagers were made and shall be
9 distributed as follows:

10 Sec. 16. Section 99F.11, Code 2019, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 4. *a.* A tax is imposed on the sports
13 wagering net receipts received each fiscal year by a licensed
14 operator from sports wagering authorized under this chapter at
15 the rate of six and three-quarters percent.

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

21 Sec. 17. Section 99F.12, subsection 2, Code 2019, is amended
22 to read as follows:

23 2. *a.* The licensee shall furnish to the commission reports
24 and information as the commission may require with respect to
25 the licensee's activities.

26 *b.* A licensee under section 99F.7A shall promptly report
27 to the commission any criminal or disciplinary proceedings
28 commenced against the licensee or its employees in connection
29 with the licensee conducting sports wagering or advance
30 deposit sports wagering, any abnormal wagering activity or
31 patterns that may indicate a concern about the integrity of an
32 authorized sporting event or events, and any other conduct with
33 the potential to corrupt a wagering outcome of an authorized
34 sporting event for purposes of financial gain, including
35 but not limited to match fixing, and suspicious or illegal

1 wagering activities, including the use of funds derived from
2 illegal activity, wagers to conceal or launder funds derived
3 from illegal activity, use of agents to place wagers, or use
4 of false identification. The commission is required to share
5 any information received pursuant to this paragraph with the
6 division of criminal investigation, any other law enforcement
7 entity upon request, or any regulatory agency the commission
8 deems appropriate. The commission shall promptly report any
9 information received pursuant to this paragraph with any
10 sports team or sports governing body as the commission deems
11 appropriate, but shall not share any information that would
12 interfere with an ongoing criminal investigation.

13 c. The gross receipts and adjusted gross receipts from
14 gambling shall be separately handled and accounted for from
15 all other moneys received from operation of an excursion
16 gambling boat or from operation of a racetrack enclosure or
17 gambling structure licensed to conduct gambling games. The
18 commission may designate a representative to board a licensed
19 excursion gambling boat or to enter a racetrack enclosure or
20 gambling structure licensed to conduct gambling games. The
21 representative shall have full access to all places within the
22 enclosure of the boat, the gambling structure, or the racetrack
23 enclosure and shall directly supervise the handling and
24 accounting of all gross receipts and adjusted gross receipts
25 from gambling. The representative shall supervise and check
26 the admissions. The compensation of a representative shall be
27 fixed by the commission but shall be paid by the licensee.

28 d. With the approval of the commission, a licensee under
29 section 99F.7A shall cooperate with investigations conducted
30 by sports governing bodies, including but not limited to
31 providing or facilitating the provision of account-level
32 betting information and audio or video files relating to
33 persons placing wagers. However, a licensee shall not share
34 information that would interfere with an ongoing criminal
35 investigation.

1 Sec. 18. Section 99F.15, subsection 1, paragraph c, Code
2 2019, is amended to read as follows:

3 *c.* Acting, or employing a person to act, as a skill or
4 decoy to encourage participation in a gambling game or sports
5 wagering.

6 Sec. 19. Section 99F.15, subsection 4, paragraphs d, h, and
7 i, Code 2019, are amended to read as follows:

8 *d.* Cheats at a gambling game, including but not limited to
9 committing any act which alters the outcome of the game, or
10 cheats at sports wagering.

11 *h.* Claims, collects, or takes, or attempts to claim,
12 collect, or take, money or anything of value in or from the
13 gambling games or sports wagering, with intent to defraud,
14 without having made a wager contingent on winning a gambling
15 game or sports wager, or claims, collects, or takes an amount
16 of money or thing of value of greater value than the amount
17 won.

18 *i.* Knowingly entices or induces a person to go to any place
19 where a gambling game or sports wagering is being conducted or
20 operated in violation of the provisions of **this chapter** with
21 the intent that the other person plays or participates in that
22 gambling game or sports wagering.

23 Sec. 20. Section 99F.20, subsection 1, Code 2019, is amended
24 to read as follows:

25 1. A gaming regulatory revolving fund is created in
26 the state treasury under the control of the department of
27 inspections and appeals. The fund shall consist of fees
28 collected and deposited into the fund paid by licensees
29 pursuant to **section 99D.14, subsection 2**, paragraph "c", fees
30 paid by licensees pursuant to section 99E.5, subsection 4,
31 paragraph "c", regulatory fees paid by licensees pursuant
32 to section 99F.4, subsection 27, and fees paid by licensees
33 pursuant to section 99F.10, subsection 4, paragraph "c". All
34 costs relating to racetrack, excursion boat, ~~and~~ gambling
35 structure, internet fantasy sports contests as defined in

1 section 99E.1, and sports wagering regulation shall be paid
2 from the fund as provided in appropriations made for this
3 purpose by the general assembly. The department shall provide
4 quarterly reports to the department of management and the
5 legislative services agency specifying revenues billed and
6 collected and expenditures from the fund in a format as
7 determined by the department of management in consultation with
8 the legislative services agency.

9 Sec. 21. EMERGENCY RULES. The state racing and gaming
10 commission created under section 99D.5 may adopt emergency
11 rules under section 17A.4, subsection 3, and section 17A.5,
12 subsection 2, paragraph "b", to implement the provisions of
13 this division of this Act and the rules shall be effective
14 immediately upon filing unless a later date is specified in the
15 rules but in no event earlier than July 4, 2019. Any rules
16 adopted in accordance with this section shall also be published
17 as a notice of intended action as provided in section 17A.4.

18 Sec. 22. IMPLEMENTATION. The racing and gaming commission
19 shall not implement this division of this Act until the later
20 of July 4, 2019, or the date the commission has adopted rules
21 pursuant to chapter 17A providing for such implementation and
22 such rules have become effective.

23 Sec. 23. EFFECTIVE DATE. This division of this Act, being
24 deemed of immediate importance, takes effect upon enactment.

25 DIVISION II

26 FANTASY SPORTS CONTESTS

27 Sec. 24. Section 80.25A, Code 2019, is amended to read as
28 follows:

29 **80.25A ~~Pari-mutuel and gambling game~~ Gaming operations**
30 **investigation and enforcement.**

31 The commissioner of public safety shall direct the chief
32 of the division of criminal investigation to establish a
33 subdivision to be the primary criminal investigative and
34 enforcement agency for the purpose of enforcement of chapters
35 99D, 99E, and 99F. The commissioner of public safety shall

1 appoint or assign other agents to the division as necessary to
2 enforce [chapters 99D](#), [99E](#), and [99F](#). All enforcement officers,
3 assistants, and agents of the division are subject to section
4 80.15 except clerical workers.

5 Sec. 25. Section 80.43, subsection 1, Code 2019, is amended
6 to read as follows:

7 1. A gaming enforcement revolving fund is created in the
8 state treasury under the control of the department. The fund
9 shall consist of fees collected and deposited into the fund
10 paid by licensees pursuant to [section 99D.14, subsection 2](#),
11 paragraph "b", fees and costs paid by applicants pursuant
12 to section 99E.4, subsection 4, and fees paid by licensees
13 pursuant to [section 99F.10, subsection 4](#), paragraph "b". All
14 costs for agents and officers plus any direct support costs
15 for such agents and officers of the division of criminal
16 investigation's racetrack, excursion boat, ~~or~~ gambling
17 structure, and internet fantasy sports contests as defined in
18 [section 99E.1](#) enforcement activities shall be paid from the
19 fund as provided in appropriations made for this purpose by the
20 general assembly.

21 Sec. 26. NEW SECTION. 99E.1 Definitions.

22 As used in this chapter, unless the context otherwise
23 requires:

24 1. "*Applicant*" means an internet fantasy sports contest
25 service provider applying for a license to conduct internet
26 fantasy sports contests under this chapter.

27 2. "*Commission*" means the state racing and gaming commission
28 created under section 99D.5.

29 3. "*Fantasy sports contest*" includes any fantasy or
30 simulated game or contest in which the fantasy sports contest
31 operator is not a participant in the game or contest, the value
32 of all prizes and awards offered to winning participants are
33 established and made known to the participants in advance
34 of the contest, all winning outcomes reflect the relative
35 knowledge and skill of the participants and shall be determined

1 by accumulated statistical results of the performance of
2 individuals, including athletes in the case of sporting events,
3 and no winning outcome is solely based on the score, point
4 spread, or any performance or performances of any single actual
5 team or solely on any single performance of an individual
6 athlete or player in any single actual event. However, until
7 May 1, 2020, "*fantasy sports contest*" does not include any
8 fantasy or simulated game or contest in which any winning
9 outcomes are based on statistical results from a collegiate
10 sporting event as defined in section 99F.1.

11 4. "*Internet fantasy sports contest*" means a method of
12 entering a fantasy sports contest by which a person may
13 establish an account with an internet fantasy sports contest
14 service provider, deposit money into the account, and use
15 the account balance for entering a fantasy sports contest by
16 utilizing electronic communication.

17 5. "*Internet fantasy sports contest adjusted revenues*" means,
18 for each internet fantasy sports contest, the amount equal to
19 the total charges and fees collected from all participants
20 entering the internet fantasy sports contest less winnings paid
21 to participants in the contest, multiplied by the location
22 percentage.

23 6. "*Internet fantasy sports contest player*" means a person
24 who is at least twenty-one years of age and participates in an
25 internet fantasy sports contest operated by an internet fantasy
26 sports contest service provider.

27 7. "*Internet fantasy sports contest service provider*" means
28 a person, including a licensee under chapter 99D or 99F, who
29 conducts an internet fantasy sports contest as authorized by
30 this chapter.

31 8. "*Licensee*" means any person licensed under section 99E.5
32 to conduct internet fantasy sports contests.

33 9. "*Location percentage*" means, for each internet fantasy
34 sports contest, the percentage, rounded to the nearest tenth of
35 a percent, equal to the total charges and fees collected from

1 all internet fantasy sports contest players located in this
2 state divided by the total charges and fees collected from all
3 participants in the internet fantasy sports contest.

4 Sec. 27. NEW SECTION. **99E.2 Internet fantasy sports**
5 **contests authorized.**

6 The system of entering an internet fantasy sports contest as
7 provided by this chapter is legal when conducted by a licensed
8 internet fantasy sports contest service provider as provided in
9 this chapter.

10 Sec. 28. NEW SECTION. **99E.3 Commission — powers.**

11 1. The commission shall have full jurisdiction over and
12 shall supervise internet fantasy sports contests and internet
13 fantasy sports contest service providers as governed by this
14 chapter.

15 2. The commission shall have the following powers and shall
16 adopt rules pursuant to chapter 17A to administer and implement
17 this chapter:

18 *a.* To review and investigate applicants and determine the
19 eligibility of applicants for a license to conduct internet
20 fantasy sports contests, pursuant to rules adopted by the
21 commission.

22 *b.* To license and regulate internet fantasy sports contest
23 service providers subject to the requirements of this chapter.

24 *c.* To provide for the prevention of practices detrimental to
25 the public and to provide for the best interests of internet
26 fantasy sports contests.

27 *d.* To investigate alleged violations of this chapter
28 or the commission rules, orders, or final decisions and to
29 take appropriate disciplinary action against a licensee, or
30 institute appropriate legal action for enforcement, or both.
31 Information gathered during an investigation is confidential
32 during the pendency of the investigation.

33 *e.* To assess fines and revoke or suspend licenses and to
34 impose penalties for violations of this chapter.

35 *f.* To take any other action as may be reasonable or

1 appropriate to enforce this chapter and the commission rules.

2 Sec. 29. NEW SECTION. **99E.4 Requirements of applicant —**
3 **fee.**

4 1. An applicant for a license to conduct internet fantasy
5 sports contests shall complete and sign an application on
6 the form prescribed and published by the commission. The
7 application shall include such information of the applicant
8 that the commission deems necessary for purposes of issuing a
9 license pursuant to this chapter.

10 2. An applicant shall submit fingerprints and information
11 that the commission deems necessary to the commission in the
12 manner prescribed on the application forms. The fingerprints
13 may be submitted to the federal bureau of investigation by
14 the department of public safety through the state criminal
15 history repository for the purpose of a national criminal
16 history check. The results of a criminal history record check
17 conducted pursuant to this subsection shall be considered a
18 confidential record under chapter 22.

19 3. Before a license is granted, the division of criminal
20 investigation of the department of public safety shall conduct
21 a thorough background investigation of the applicant for a
22 license to conduct internet fantasy sports contests. The
23 applicant shall provide information on a form as required by
24 the division of criminal investigation.

25 4. The commission shall charge the applicant a reasonable
26 fee set by the division of criminal investigation of the
27 department of public safety, to defray those costs associated
28 with the fingerprint and national criminal history check
29 requirements of subsection 2 and background investigations
30 conducted by agents of the division of criminal investigation
31 as provided in subsection 3. These fees and costs are in
32 addition to any other license fees and costs charged by the
33 commission. The fees and costs received by the commission
34 shall be deposited in the gaming enforcement revolving fund
35 established in section 80.43.

1 5. The commission shall not grant a license to an applicant
2 if there is substantial evidence that any of the following
3 apply:

4 a. A license issued to the applicant to conduct internet
5 fantasy sports contests in another jurisdiction has been
6 revoked, or a request for a license to conduct internet fantasy
7 sports contests in another jurisdiction has been denied, by
8 an entity licensing persons to conduct such contests in that
9 jurisdiction.

10 b. The applicant has not demonstrated financial
11 responsibility sufficient to adequately meet the requirements
12 of the enterprise proposed.

13 c. The applicant does not adequately disclose the true
14 owners of the enterprise proposed.

15 d. The applicant has knowingly made a false statement of a
16 material fact to the commission.

17 e. The applicant has failed to meet a monetary obligation in
18 connection with conducting an internet fantasy sports contest.

19 f. The applicant is not of good repute and moral character
20 or the applicant has pled guilty to, or has been convicted of,
21 a felony.

22 g. Any member of the board of directors of the applicant is
23 not twenty-one years of age or older.

24 6. A person who knowingly makes a false statement on the
25 application is guilty of an aggravated misdemeanor.

26 7. For the purposes of this section, "applicant" includes
27 each member of the board of directors of an internet fantasy
28 sports contest service provider.

29 **Sec. 30. NEW SECTION. 99E.5 Licenses — fees — terms and**
30 **conditions — revocation.**

31 1. If the commission is satisfied that the requirements
32 of this chapter and its rules adopted under this chapter
33 applicable to licensees have been or will be complied with, the
34 commission shall, upon payment of an initial license fee of
35 five thousand dollars, issue a license for a period of not more

1 than three years to an applicant to conduct internet fantasy
2 sports contests in this state.

3 2. A licensed internet fantasy sports contest service
4 provider shall use reasonable methods to comply with all of the
5 following requirements:

6 a. Prevent employees of the internet fantasy sports contest
7 service provider and relatives living in the same household of
8 such employees from competing in any internet fantasy sports
9 contest on the service provider's digital platform in which the
10 service provider offers a cash prize to the public.

11 b. Verify that an internet fantasy sports contest player
12 located in this state is twenty-one years of age or older.

13 c. Ensure that coaches, officials, players, contestants,
14 or other individuals who participate in a game or contest
15 that is the subject of an internet fantasy sports contest are
16 restricted from entering an internet fantasy sports contest in
17 which the outcome is determined, in whole or in part, by the
18 accumulated statistical results of a team of individuals in the
19 game or contest in which they participate.

20 d. Include on the internet site or mobile application used
21 by the licensee to conduct internet fantasy sports contests the
22 statewide telephone number authorized by the Iowa department
23 of public health to provide problem gambling information and
24 extensive responsible gaming features in addition to those
25 described in section 99F.4, subsection 22.

26 e. Allow individuals to establish an account with an
27 internet fantasy sports contest service provider by utilizing
28 electronic communication.

29 f. Disclose the number of entries a single internet fantasy
30 sports contest player may submit to each internet fantasy
31 sports contest and take reasonable steps to prevent players
32 from submitting more than the allowable number of entries for
33 that internet fantasy sports contest.

34 g. Segregate internet fantasy sports contest player funds
35 from operational funds or maintain a reserve in the form of

1 cash, cash equivalents, an irrevocable letter of credit,
2 payment processor reserves and receivables, a bond, or a
3 combination thereof in the amount of the deposits in internet
4 fantasy sports contest player accounts for the benefit and
5 protection of internet fantasy sports contest player funds held
6 in internet fantasy sports contest accounts by the internet
7 fantasy sports contest service provider.

8 *h.* Conduct an annual audit under section 99E.9.

9 *i.* Pay the tax as provided in section 99E.6.

10 3. The annual license fee to conduct internet fantasy sports
11 contests shall be one thousand dollars or, for a licensed
12 internet fantasy sports contest service provider with total
13 annual internet fantasy sports contest adjusted revenues for
14 the year prior to the annual license fee renewal date of
15 one hundred fifty thousand dollars or greater, five thousand
16 dollars. Moneys collected by the commission from the license
17 fees paid under this section shall be considered repayment
18 receipts as defined in section 8.2.

19 4. *a.* A licensed internet fantasy sports contest service
20 provider shall pay a regulatory fee to the commission. The
21 regulatory fee shall be established by the commission based on
22 the costs of administering and enforcing this chapter.

23 *b.* A licensed internet fantasy sports contest service
24 provider shall receive a credit for the amount of the
25 regulatory fee paid by the provider against the taxes to be
26 paid pursuant to section 99E.6.

27 *c.* Notwithstanding section 8.60, the portion of the fee
28 paid pursuant to paragraph "a" relating to the costs of the
29 commission shall be deposited into the gaming regulatory
30 revolving fund established in section 99F.20.

31 5. Upon a violation of any of the conditions listed in
32 section 99E.4 or this section by a licensee, the commission
33 shall immediately revoke the license.

34 Sec. 31. NEW SECTION. 99E.6 Internet fantasy sports contest
35 tax — rate.

1 1. A tax is imposed on internet fantasy sports contest
2 adjusted revenues received each fiscal year by an internet
3 fantasy sports contest service provider from internet fantasy
4 sports contests authorized under this chapter at the rate of
5 six and three-quarters percent.

6 2. The taxes imposed by this section for internet fantasy
7 sports contests authorized under this chapter shall be paid by
8 the internet fantasy sports contest service provider to the
9 treasurer of state as determined by the commission and shall be
10 credited as provided in section 8.57, subsection 6.

11 Sec. 32. NEW SECTION. **99E.7 Internet fantasy sports**
12 **contests — age restrictions.**

13 A person under the age of twenty-one years shall not enter an
14 internet fantasy sports contest. A person who violates this
15 section with respect to entering an internet fantasy sports
16 contest commits a scheduled violation under section 805.8C,
17 subsection 12.

18 Sec. 33. NEW SECTION. **99E.8 Licensees — records — reports**
19 **— confidentiality.**

20 1. An internet fantasy sports contest service provider
21 shall keep its books and records so as to clearly show the
22 internet fantasy sports contest adjusted revenues for each
23 internet fantasy sports contest subject to tax in this state.

24 2. *a.* The licensee shall furnish to the commission reports
25 and information as the commission may require with respect to
26 the licensee's activities.

27 *b.* A licensee shall promptly report to the commission any
28 criminal or disciplinary proceedings commenced against the
29 licensee or its employees in connection with the licensee
30 conducting an internet fantasy sports contest, any abnormal
31 contest activity or patterns that may indicate a concern about
32 the integrity of an internet fantasy sports contest, and any
33 other conduct with the potential to corrupt an outcome of an
34 internet fantasy sports contest for purposes of financial gain,
35 including but not limited to match fixing, and suspicious or

1 illegal internet fantasy sports contest activities, including
2 the use of funds derived from illegal activity, deposits of
3 money to enter an internet fantasy sports contest to conceal
4 or launder funds derived from illegal activity, use of agents
5 to enter an internet fantasy sports contest, or use of false
6 identification. The commission is required to share any
7 information received pursuant to this paragraph with the
8 division of criminal investigation, any other law enforcement
9 entity upon request, or any regulatory agency the commission
10 deems appropriate. The commission shall promptly report any
11 information received pursuant to this paragraph with any
12 sports team or sports governing body as the commission deems
13 appropriate, but shall not share any information that would
14 interfere with an ongoing criminal investigation.

15 3. Except as provided in subsection 4, the books and records
16 kept by a licensee as provided by this section are public
17 records and the examination, publication, and dissemination of
18 the books and records are governed by the provisions of chapter
19 22.

20 4. The records of the commission shall be governed by the
21 provisions of chapter 22, provided that, in addition to records
22 that may be kept confidential pursuant to section 22.7, the
23 following records provided by a licensee to the commission
24 shall be kept confidential, unless otherwise ordered by a
25 court, by the lawful custodian of the records, or by another
26 person duly authorized to release such information:

- 27 a. Patron and customer records.
- 28 b. Security reports and network audits.
- 29 c. Internal control and compliance records.
- 30 d. Employee records.
- 31 e. Marketing expenses.
- 32 f. Supplemental schedules to the certified audit, except for
33 those books and records as described in subsection 1 of this
34 section, that are obtained by the commission in connection with
35 the annual audit under section 99E.9.

1 g. Any information specifically requested for inspection by
2 the commission or a representative of the commission.

3 Sec. 34. NEW SECTION. **99E.9 Annual audit of licensee**
4 **operations.**

5 Within one hundred eighty days after the end of the
6 licensee's fiscal year, the licensee shall transmit to the
7 commission an audit of the licensee's total internet fantasy
8 sports contest operations, including an itemization of all
9 expenses and subsidies. Each audit shall be conducted by a
10 certified public accountant authorized to practice in the state
11 of Iowa under chapter 542 who is selected by the licensee and
12 approved by the commission.

13 Sec. 35. NEW SECTION. **99E.10 Civil penalty.**

14 A person who willfully fails to comply with the requirements
15 of this chapter and the rules adopted pursuant to chapter 17A
16 under this chapter shall be liable for a civil penalty of not
17 more than one thousand dollars for each violation, not to
18 exceed ten thousand dollars for violations arising out of the
19 same transaction or occurrence, which shall accrue to the state
20 and may be recovered in a civil action.

21 Sec. 36. Section 99F.2, Code 2019, is amended to read as
22 follows:

23 **99F.2 Scope of provisions.**

24 This chapter does not apply to the pari-mutuel system of
25 wagering used or intended to be used in connection with the
26 horse-race or dog-race meetings as authorized under chapter
27 99D, internet fantasy sports contests authorized under chapter
28 99E, lottery or lotto games authorized under **chapter 99G**, or
29 bingo or games of skill or chance authorized under **chapter 99B**.

30 Sec. 37. Section 99F.4B, Code 2019, is amended to read as
31 follows:

32 **99F.4B Rules.**

33 The department of inspections and appeals shall cooperate
34 to the maximum extent possible with the division of criminal
35 investigation in adopting rules relating to the gaming

1 operations in [this chapter](#) and ~~chapter~~ [chapters 99D](#) and [99E](#).

2 Sec. 38. Section 232C.4, subsection 3, Code 2019, is amended
3 to read as follows:

4 3. An emancipated minor shall remain subject to voting
5 restrictions under [chapter 48A](#), gambling restrictions under
6 [chapter 99B](#), [99D](#), [99F](#), [99G](#), or [725](#), internet fantasy sports
7 contest restrictions under chapter 99E, alcohol restrictions
8 under [chapter 123](#), compulsory attendance requirements under
9 [chapter 299](#), and cigarette tobacco restrictions under [chapter](#)
10 [453A](#).

11 Sec. 39. Section 714B.10, subsection 1, Code 2019, is
12 amended to read as follows:

13 1. Advertising by sponsors registered pursuant to [chapter](#)
14 [557B](#), licensed pursuant to [chapter 99B](#), or regulated pursuant
15 to [chapter 99D](#), [99E](#), [99F](#), or [99G](#).

16 Sec. 40. Section 725.7, subsection 1, paragraph e, Code
17 2019, is amended to read as follows:

18 e. Engage in bookmaking, except as permitted in chapters 99E
19 and 99F.

20 Sec. 41. Section 725.13, Code 2019, is amended to read as
21 follows:

22 **725.13 Definition of bookmaking.**

23 “*Bookmaking*” means advancing gambling activity by accepting
24 bets upon the outcome of future contingent events as a business
25 other than as permitted in [chapters 99B](#), [99D](#), [99E](#), and [99F](#).
26 These events include, but are not limited to, the results of
27 a trial or contest of skill, speed, power, or endurance of
28 a person or beast or between persons, beasts, fowl, motor
29 vehicles, or mechanical apparatus or upon the result of any
30 chance, casualty, unknown, or contingent event.

31 Sec. 42. Section 725.15, Code 2019, is amended to read as
32 follows:

33 **725.15 Exceptions for legal gambling.**

34 Sections 725.5 through 725.10 and [725.12](#) do not apply to
35 a game, activity, ticket, or device when lawfully possessed,

1 used, conducted, or participated in pursuant to [chapter 99B](#),
2 [99E](#), [99F](#), or [99G](#).

3 Sec. 43. Section 805.8C, Code 2019, is amended by adding the
4 following new subsection:

5 NEW SUBSECTION. 12. *Internet fantasy sports contest*
6 *violations.* For violations of legal age for entering an
7 internet fantasy sports contest under section 99E.7, the
8 scheduled fine is five hundred dollars. Failure to pay the
9 fine by a person under the age of eighteen shall not result in
10 the person being detained in a secure facility.

11 Sec. 44. EMERGENCY RULES. The state racing and gaming
12 commission created under section 99D.5 may adopt emergency
13 rules under section 17A.4, subsection 3, and section 17A.5,
14 subsection 2, paragraph "b", to implement the provisions of
15 this division of this Act and the rules shall be effective
16 immediately upon filing unless a later date is specified in the
17 rules but in no event earlier than July 4, 2019. Any rules
18 adopted in accordance with this section shall also be published
19 as a notice of intended action as provided in section 17A.4.

20 Sec. 45. IMPLEMENTATION. The racing and gaming commission
21 shall not implement this division of this Act until the later
22 of July 4, 2019, or the date the commission has adopted rules
23 pursuant to chapter 17A providing for such implementation and
24 such rules have become effective.

25 Sec. 46. EFFECTIVE DATE. This division of this Act, being
26 deemed of immediate importance, takes effect upon enactment.

27 DIVISION III

28 GAMBLING REGULATION

29 Sec. 47. Section 8.57, Code 2019, is amended by adding the
30 following new subsection:

31 NEW SUBSECTION. 6. a. A sports wagering receipts fund is
32 created under the authority of the department of management.
33 The fund shall consist of appropriations made to the fund and
34 transfers of interest, earnings, and moneys from other funds
35 or sources as provided by law. The sports wagering receipts

1 fund shall be separate from the general fund of the state and
2 the balance in the sports wagering receipts fund shall not
3 be considered part of the balance of the general fund of the
4 state. However, the sports wagering receipts fund shall be
5 considered a special account for the purposes of section 8.53,
6 relating to generally accepted accounting principles.

7 *b.* Moneys in the sports wagering receipts fund are not
8 subject to section 8.33. Notwithstanding section 12C.7,
9 subsection 2, interest or earnings on moneys in the sports
10 wagering receipts fund shall be credited to the fund. Moneys
11 in the sports wagering receipts fund may be used for cash flow
12 purposes during a fiscal year provided that any moneys so
13 allocated are returned to the fund by the end of that fiscal
14 year.

15 *c.* Moneys in the sports wagering receipts fund in a fiscal
16 year shall be used as directed by the general assembly.

17 *d.* Annually, on or before January 15 of each year, a
18 state agency that received an appropriation from the sports
19 wagering receipts fund shall report to the legislative services
20 agency and the department of management the status of all
21 projects completed or in progress. The report shall include
22 a description of the project, the progress of work completed,
23 the total estimated cost of the project, a list of all revenue
24 sources being used to fund the project, the amount of funds
25 expended, the amount of funds obligated, and the date the
26 project was completed or an estimated completion date of the
27 project, where applicable.

28 *e.* Annually, on or before December 31 of each year, a
29 recipient of moneys from the sports wagering receipts fund
30 for any purpose shall report to the state agency to which the
31 moneys are appropriated the status of all projects completed
32 or in progress. The report shall include a description of the
33 project, the progress of work completed, the total estimated
34 cost of the project, a list of all revenue sources being used
35 to fund the project, the amount of funds expended, the amount

1 of funds obligated, and the date the project was completed or
2 an estimated completion date of the project, where applicable.

3 Sec. 48. Section 15E.311, subsection 3, paragraph a, Code
4 2019, is amended to read as follows:

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

33 Sec. 49. Section 99B.41, Code 2019, is amended by adding the
34 following new subsection:

35 NEW SUBSECTION. 1A. *"Social fantasy sports contest"* means

1 any fantasy or simulated game or contest in which the value
2 of all prizes and awards offered to winning participants are
3 established and made known to the participants in advance of
4 the contest and do not exceed a total of one thousand dollars
5 or equivalent consideration, all winning outcomes reflect
6 the relative knowledge and skill of the participants and
7 shall be determined by accumulated statistical results of the
8 performance of individuals in events occurring over more than
9 a twenty-four-hour period, including athletes in the case of
10 sporting events, and no winning outcome is solely based on the
11 score, point spread, or any performance or performances of
12 any single actual team or solely on any single performance of
13 an individual athlete or player in any single actual event.
14 *"Social fantasy sports contest"* does not include an internet
15 fantasy sports contest as defined in section 99E.1.

16 Sec. 50. Section 99B.45, subsection 2, Code 2019, is amended
17 by adding the following new paragraph:

18 NEW PARAGRAPH. c. A social fantasy sports contest.

19 Sec. 51. Section 99F.6, Code 2019, is amended by adding the
20 following new subsection:

21 NEW SUBSECTION. 9. The board of directors of a qualified
22 sponsoring organization licensed to operate gambling games
23 under this chapter shall be residents of this state and shall
24 include, as ex officio, nonvoting members of the board, a
25 member of the county board of supervisors and a member of a
26 city council for each county and city that has a licensed
27 gambling games facility operated by the qualified sponsoring
28 organization. The ex officio members shall serve terms of the
29 same duration as voting members of the board. However, this
30 subsection shall not apply to an agency, instrumentality, or
31 political subdivision of the state that is licensed to conduct
32 gambling games under this chapter.

33 Sec. 52. EFFECTIVE DATE. The following, being deemed of
34 immediate importance, takes effect upon enactment:

35 The section of this division of this Act amending section

S.F. 617

1 8.57.