

Sec. 2. **PAYMENT IN INSTALLMENTS OR ON A FIXED FUTURE DATE — INSTALLMENT FEE AND INTEREST.** If the district court orders a fine imposed pursuant to chapter 909, the criminal penalty surcharge imposed pursuant to chapter 911, or court costs assessed pursuant to chapter 602, to be paid in installments or at a fixed date in the future, the court shall do all of the following:

1. Impose a time payment fee in the amount of ten dollars.
2. Impose interest charges on the unsatisfied judgment at the rate provided in section 535.3 for court judgments.

Sec. 3. **NO MINIMUM FINE.** Notwithstanding any other provisions of law, a criminal fine imposed in a county participating in the structured fines pilot program shall not be required to be imposed in any minimum amount.

Sec. 4. **DISTRIBUTION OF CERTAIN FEES UNDER THE STRUCTURED FINES PILOT PROGRAM.**

1. Upon payment of the time payment fee, the clerk of the district court shall remit all such fees by the fifteenth day of the month following payment to the county treasurer for credit to the general fund of the county to be used to support the costs of the continued operation of the structured fines pilot program in the county. Upon payment of interest charges, the clerk of the district court shall remit all such charges by the fifteenth day of the month following payment to the treasurer of state to be credited to the general fund of the state, except as provided in subsection 2.

2. Notwithstanding any other provisions of this Act, the clerk of the district court for a county participating in the structured fines pilot program shall annually remit ten percent of the first five hundred thousand dollars in fines, criminal penalty surcharges, court costs, time payment fees, and interest charges assessed for public offenses other than scheduled violations as defined in chapter 805, which are paid in installments or at a fixed date in the future, to the county treasurer for credit to the general fund of the county to be used to support the costs of operation of the structured fines pilot program in the county.

Sec. 5. **EFFECTIVE DATE.** This Act, being deemed of immediate importance, takes effect upon enactment, except for section 4 pertaining to the distribution of certain fees collected by the structured fines pilot program, which shall become effective July 1, 1992.

Approved May 14, 1992

CHAPTER 1203
RACING AND GAMING
S.F. 2249

AN ACT relating to pari-mutuel racing and excursion boat gambling, charitable gaming, and raffles, prohibiting video lottery, providing a tax credit, providing for properly related matters, and providing effective and retroactive applicability dates.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 99B.8, Code 1991, is amended by adding the following new subsection:
NEW SUBSECTION. 5. However, notwithstanding subsection 1, paragraphs “b” and “c”, if the games or raffles are conducted by a qualified organization issued a license pursuant to subsection 3, the sponsor may charge an entrance fee to a participant and the sponsor need not have a bona fide social relationship with the participant.

Sec. 2. Section 99D.5, subsection 3, Code Supplement 1991, is amended by striking the subsection and inserting the following:

3. Not more than three members of the commission shall belong to the same political party. A member of the commission shall not have a financial interest in a racetrack.

Sec. 3. Section 99D.11, subsection 5, Code Supplement 1991, is amended to read as follows:

5. As each race is run the licensee shall deduct sixteen percent from the total sum wagered on all horses or dogs as first winners. However, the commission shall authorize at the request of the licensee a deduction of a higher or lower percentage of the total sum wagered not to exceed eighteen percent and the additional deduction shall be retained by the licensee. The balance, after deducting breakage, shall be paid to the holders of certificates on the winning horse or dog in the proportion that the amount wagered by each certificate holder bears to the total amount wagered on all horses or dogs in the race as first winners. The licensee may pay a larger amount if approved by the commission. The licensee shall likewise receive other wagers on horses or dogs in places or combinations the commission may authorize. The method, procedure, and the authority and right of the licensee, as well as the deduction allowed to the licensee, shall be as specified with respect to wagers upon horses or dogs selected to run first. However, the commission may shall authorize at the request of the licensee to deduct a deduction of a higher or lower percent of the total sum wagered not to exceed twenty twenty-four percent on multiple or exotic wagering involving not more than two horses or dogs. The deduction authorized above twenty percent on the multiple or exotic wagering involving more than two dogs or horses shall be retained by the licensee. For exotic wagering involving three or more horses or dogs, the commission may shall authorize a at the request of the licensee to deduct an additional two a deduction of a higher or lower percent from of the total sum wagered but not more than a total sum wagered of twenty-five percent on the exotic wagers. The additional deduction authorized above twenty-two percent on the multiple or exotic wagers involving more than two horses or dogs shall be retained by the licensee. One percent of the exotic wagers on three or more horses or dogs shall be distributed as provided in section 99D.12.

Sec. 4. Section 99D.11, subsection 6, paragraph b, Code Supplement 1991, is amended to read as follows:

b. The commission may authorize the licensee to simultaneously telecast within the racetrack enclosure for purpose of pari-mutuel wagering a horse or dog race licensed by the racing authority of another state. It is the responsibility of each licensee to obtain the consent of appropriate racing officials in other states as required by the federal Interstate Horseracing Act of 1978, 15 U.S.C. § 3001-3007, to televise races for the purpose of conducting pari-mutuel wagering. A licensee may also obtain the permission of a person licensed by the commission to conduct horse or dog races in this state to televise races conducted by that person for the purpose of conducting pari-mutuel racing. However, arrangements made by a licensee to televise any race for the purpose of conducting pari-mutuel wagering are subject to the approval of the commission, and the commission shall select the races to be televised. The races selected by the commission shall be the same for all licensees approved by the commission to televise races for the purpose of conducting pari-mutuel wagering. The commission shall not authorize the simultaneous telecast or televising of and a licensee shall not simultaneously telecast or televise any horse or dog race for the purpose of conducting pari-mutuel wagering unless the simultaneous telecast or televising is done at the racetrack of a licensee that schedules no less than one hundred five ninety performances of eight nine live races each day of the season. For purposes of the taxes imposed under this chapter, races televised by a licensee for purposes of pari-mutuel wagering shall be treated as if the races were held at the racetrack of the licensee.

Sec. 5. EXCEPTION FOR SIMULCAST RACING WITHOUT LIVE RACING. Notwithstanding section 99D.11, subsection 6, paragraph "b", the commission may authorize the simultaneous telecast or televising of horse or dog races for the purpose of conducting

pari-mutuel wagering at the racetrack of a licensee where no live racing is scheduled during the period beginning May 1, 1992, and ending June 30, 1993.

Sec. 6. Section 99D.12, subsection 1, Code Supplement 1991, is amended to read as follows:

1. In horse races the breakage shall be retained by the licensee to supplement purses for races restricted to Iowa-foaled horses or to supplement purses won by Iowa-foaled horses by finishing first, second, third, or fourth in any other race. The purse supplements will be paid in proportion to the purse structure of the race. Two percent shall be deposited by the commission into a special fund to be known as the horse racing promotion fund. The commission each year shall approve a nonprofit organization to use moneys in the fund for research, education, and marketing of horse racing in the state, including public relations, and other promotional techniques. The nonprofit organization shall not engage in political activity. It shall be a condition of the allocation of funds that any organization receiving funds shall not expend the funds on political activity or on any attempt to influence legislation.

Sec. 7. HORSE RACING PLAN FOR 1993. The pari-mutuel licensee of a horse track shall submit a staffing plan for live horse racing for the year 1993 and have the plan approved by the commission no later than the regular commission meeting in January 1993. Failure to have an approved plan shall result in revocation of the license. The commission may extend the approval date not more than thirty days to allow the licensee to complete action on a staffing plan.

Sec. 8. Section 99D.15, subsection 2, Code Supplement 1991, is amended to read as follows:

2. A tax credit of up to five percent of the gross sum wagered per year shall be granted to licensees licensed for horse races and paid into a special fund to be used for the purpose of retiring the annual debt on the cost of construction of the licensed facility debt retirement or operating expenses. However, the tax credit is equal to six percent of the gross sum wagered in a year when the gross sum wagered is less than ninety million dollars. Any portion of the credit not used in a particular year shall be retained by the commission. A tax credit shall first be assessed against any share going to a city, then to the share going to a county, and then to the share going to the state.

Sec. 9. Section 99D.15, subsection 3, Code Supplement 1991, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. If the gross sum wagered at a racetrack for the 1992 racing season is less than twenty million dollars, the licensee may retain up to three hundred eighty thousand dollars of its tax liability for the 1992 racing season as a no interest loan. The loan shall be repaid to the treasurer of state in four equal annual installments. The first installment is due and payable at the conclusion of the 1993 racing season and an additional installment is due and payable at the conclusion of each succeeding racing season ending with the 1996 racing season. A lien in favor of the state shall attach to the property of the taxpayer as provided in section 422.26 when the tax payment would otherwise be due and may be enforced by the state upon the delinquency of the loan repayment.

Sec. 10. Section 99D.15, Code Supplement 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 4. A tax of two percent is imposed on the gross sum wagered by the pari-mutuel method on horse races and dog races which are simultaneously telecast. The tax imposed by this subsection is in lieu of the taxes imposed pursuant to subsection 1 or 3, but the tax revenue from simulcast horse races shall be distributed as provided in subsection 1 and the tax revenue from simulcast dog races shall be distributed as provided in subsection 3.

Sec. 11. Section 99D.25A, subsection 6, Code 1991, is amended to read as follows:

6. Once a horse has been permitted the use of lasix, it must be brought to the detention barn for treatment not less than four hours prior to scheduled post time for the race in which it is entered to start. ~~Once at the detention barn, a horse shall remain there until it is taken~~

to the paddock to be saddled or harnessed for a race. After the lasix treatment, the commission, by rule, may authorize the release of the horse from the detention barn before the scheduled post time. If a horse is brought to the detention barn late, the commission shall assess a civil penalty of one hundred dollars against the trainer.

Sec. 12. Section 99E.9, subsection 3, paragraph b, Code 1991, is amended to read as follows:

b. The types of lottery games to be conducted. Rules governing the operation of a class of games are subject to chapter 17A. However, rules governing the particular features of specific games within a class of games are not subject to chapter 17A. Such rules may include, but are not limited to, setting the name and prize structure of the game and shall be made available to the public prior to the time the games go on sale and shall be kept on file at the office of the commissioner. The board shall authorize instant lottery and on-line lotto games and may authorize the use of any type of lottery game that on May 3, 1985, has been conducted by a state lottery of another state in the United States, or any game that the board determines will achieve the revenue objectives of the lottery and is consistent with subsection 1. However, the board shall not authorize a game using an electronic computer terminals terminal or other devices device if, upon winning a game, the terminals or devices dispense terminal or device immediately dispenses coins or currency upon the winning of a prize or a ticket, credit or token which is redeemable for cash or a prize. In a game utilizing instant tickets other than pull-tab tickets, each ticket in the game shall bear a unique consecutive serial number distinguishing it from every other ticket in the game, and each lottery number or symbol shall be accompanied by a confirming caption consisting of a repetition of a symbol or a description of the symbol in words. In the game other than an instant game which uses tangible evidence of participation, each ticket shall bear a unique serial number distinguishing it from every other ticket in the game.

Sec. 13. Section 99E.9, subsection 6, Code 1991, is amended to read as follows:

6. If reasonably practical when the lottery division awards a contract under subsection 2, for the lease or purchase of a machine to be used in the conducting of a lottery game including, but not limited to, a ~~video lottery machine or~~ machine used in lotto, the lottery division shall give preference to awarding the contract to a responsible vendor who manufactures the machines in the state, provided the costs and benefits to the lottery division are equal to those available from competing vendors.

If reasonably practical when the lottery division awards a contract under subsection 2, for the servicing of a machine to be used in the conducting of a lottery game including, but not limited to, a ~~video lottery machine or~~ a machine used in lotto, the lottery division shall give preference to a responsible vendor whose principal place of business is in Iowa, provided the costs and benefits to the lottery division are equal to those available from competing vendors.

Sec. 14. Section 99F.1, subsection 10, Code 1991, is amended to read as follows:

10. "Gambling game" means ~~twenty-one, dice, slot machine, video game of chance or roulette wheel any game of chance authorized by the commission.~~ "Gambling game" does not include sports betting.

Sec. 15. Section 99F.7, subsection 1, Code 1991, is amended to read as follows:

1. If the commission is satisfied that this chapter and its rules adopted under this chapter applicable to licensees have been or will be complied with, the commission shall issue a license for a period of not more than three years to an applicant to own a gambling game operation and to an applicant to operate an excursion gambling boat. The commission shall decide which of the gambling games authorized under this chapter it will permit. The commission shall decide the number, location, and type of excursion gambling boats licensed under this chapter for operation on the rivers, lakes, and reservoirs of this state. The license shall set forth the name of the licensee, the type of license granted, the place where the excursion gambling boats will operate and dock, and the time and number of days during the excursion season and the off season when gambling may be conducted by the licensee. The commission shall not allow a

licensee to conduct gambling games on an excursion gambling boat while docked during the off season if the licensee does not operate gambling excursions for a minimum number of days during the excursion season. The commission may delay the commencement of the excursion season at the request of a licensee.

Sec. 16. Section 99F.7, subsection 10, paragraph c, Code 1991, is amended to read as follows:

c. If, after July 1, 1989, section ~~99F.1, subsection 5~~, 99F.4, subsection 4, or 99F.9, subsection 2, is amended, the board of supervisors of a county in which excursion boat gambling has been approved shall submit to the county electorate a proposition to approve or disapprove the conduct of gambling games on excursion gambling boats at a special election at the earliest practicable time. If excursion boat gambling is not approved at the election, paragraph "b" does not apply to the licenses and the commission shall cancel the licenses issued for the county within sixty days of the unfavorable referendum.

Sec. 17. REFERENCE CLARIFICATION. The Code citation, section 99F.1, subsection 5, in section 16 of this Act refers to section 99F.1, subsection 5, as it appears in 1989 Iowa Acts, chapter 67, section 1.

Sec. 18. Section 99F.17, subsection 5, Code 1991, is amended to read as follows:

5. A manufacturer or distributor of gambling games who has been granted a license under this section shall have a representative within this state to take delivery of gambling games or implements of gambling prior to delivery to a licensee. The manufacturer or distributor shall provide the commission with a copy of the invoice showing the items shipped and a copy of the bill of lading. When received, the gambling games or implements of gambling shall be stored in a public warehouse in this state until delivered to the licensee or, after delivery is complete, the shipment may be transferred to a licensee.

Sec. 19. Section 537A.4, unnumbered paragraph 2, Code 1991, is amended to read as follows:

This section does not apply to a contract for the operation of or for the sale or rental of equipment for games of skill or games of chance, if both the contract and the games are in compliance with chapter 99B. This section does not apply to wagering under the pari-mutuel method of wagering authorized by chapter 99D. This section does not apply to the sale, purchase or redemption of a ticket or share in the state lottery in compliance with chapter 99E. This section does not apply to wagering under the excursion boat gambling method of wagering authorized by chapter 99F. This section does not apply to the sale, purchase, or redemption of any ticket or similar gambling device legally purchased in Indian lands within this state.

Sec. 20. Section 725.16, Code 1991, is amended to read as follows:

725.16 GAMBLING PENALTY.

A person who commits an offense declared in chapter 99B to be a misdemeanor shall be guilty of a serious misdemeanor except if an owner of an electrical or mechanical amusement device commits an offense in violation of section 99B.10, the owner is guilty of a class "D" felony.

Sec. 21. EFFECTIVE DATES. Sections 5, 9, 12, 13, and 14 of this Act and this section, being deemed of immediate importance, take effect upon enactment. Sections 12 and 13 of this Act apply retroactively to January 1, 1992. Section 9 of the Act applies retroactively to April 1, 1992. Sections 5 and 14 of this Act apply retroactively to May 1, 1992. The remaining sections of this Act take effect on July 1, 1992.

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