

99E.5 Licenses — fees — terms and conditions — revocation.

1. If the commission is satisfied that the requirements of [this chapter](#) and its rules adopted under [this chapter](#) applicable to licensees have been or will be complied with, the commission shall, upon payment of an initial license fee of five thousand dollars, issue a license for a period of not more than three years to an applicant to conduct internet fantasy sports contests in this state.

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

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

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

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

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

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

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

g. Segregate internet fantasy sports contest player funds from operational funds or maintain a reserve in the form of cash, cash equivalents, an irrevocable letter of credit, payment processor reserves and receivables, a bond, or a combination thereof in the amount of the deposits in internet fantasy sports contest player accounts for the benefit and protection of internet fantasy sports contest player funds held in internet fantasy sports contest accounts by the internet fantasy sports contest service provider.

h. Conduct an annual audit under [section 99E.9](#).

i. Pay the tax as provided in [section 99E.6](#).

j. Prohibit participants in an internet fantasy sports contest from making any payments by credit card.

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

4. a. A licensed internet fantasy sports contest service provider shall pay a regulatory fee to the commission. The regulatory fee shall be established by the commission based on the costs of administering and enforcing [this chapter](#).

b. A licensed internet fantasy sports contest service provider shall receive a credit for the amount of the regulatory fee paid by the provider against the taxes to be paid pursuant to [section 99E.6](#).

c. Notwithstanding [section 8.60](#), the portion of the fee paid pursuant to paragraph "a" relating to the costs of the commission shall be deposited into the gaming regulatory revolving fund established in [section 99F.20](#).

5. Upon a violation of any of the conditions listed in [section 99E.4](#) or [this section](#) by a licensee, the commission shall immediately revoke the license.

[2019 Acts, ch 132, §30, 45, 46; 2020 Acts, ch 1066, §2](#)

Referred to in [§99E.1, 99E.20](#)

Subsection 2, NEW paragraph j