

Senate File 263 - Enrolled

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1 1 SENATE FILE 263
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1 3 AN ACT
1 4 CONCERNING GAMBLING GAMES ON GAMBLING STRUCTURES.
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1 6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
1 7
1 8 Section 1. Section 97A.3, subsection 1, Code 2007, is
1 9 amended to read as follows:
1 10 1. All peace officer members of the division of state
1 11 patrol and the division of criminal investigation or the
1 12 predecessor divisions or subunits in the department of public
1 13 safety, excepting the members of the clerical force, who are
1 14 employed by the state of Iowa on July 4, 1949, and all persons
1 15 thereafter employed as members of such divisions or the
1 16 predecessor divisions or subunits in the department of public
1 17 safety or division of narcotics enforcement or division of
1 18 state fire marshal or the predecessor divisions or subunits,
1 19 except the members of the clerical force, shall be members of
1 20 this system, except as otherwise provided in subsection 3.
1 21 Effective July 1, 1994, gaming enforcement officers employed
1 22 by the division of criminal investigation for excursion boat
1 23 and gambling structure gambling enforcement activities and
1 24 fire prevention inspector peace officers employed by the
1 25 department of public safety shall be members of this system,
1 26 except as otherwise provided in subsection 3 or section
1 27 97B.42B. Such members shall not be required to make
1 28 contributions under any other pension or retirement system of
1 29 the state of Iowa, anything to the contrary notwithstanding.
1 30 Sec. 2. Section 97B.42B, subsection 1, paragraph a, Code
1 31 2007, is amended to read as follows:
1 32 a. Gaming enforcement officers employed by the division of
1 33 criminal investigation for excursion boat and gambling
1 34 structure gambling enforcement activities.
1 35 Sec. 3. Section 99B.6, subsection 8, Code 2007, is amended
2 1 to read as follows:
2 2 8. Gambling games authorized under chapter 99F may be
2 3 conducted on an excursion gambling boat or gambling structure
2 4 which is licensed as an establishment that serves or sells
2 5 alcoholic beverages, wine, or beer as defined in section 123.3
2 6 if the gambling games are conducted pursuant to chapter 99F
2 7 and rules adopted under chapter 99F. Notwithstanding section
2 8 123.3, subsection 26, paragraph "b", a person holding a
2 9 federal gambling permit and licensed to conduct gambling games
2 10 pursuant to chapter 99F may hold a liquor license.
2 11 Sec. 4. Section 99D.5, subsection 5, paragraph c, Code
2 12 2007, is amended to read as follows:
2 13 c. Place a wager on an entry in a race or on a gambling
2 14 game operated on an excursion gambling boat or gambling

2 15 structure.

2 16 Sec. 5. Section 99F.1, Code 2007, is amended by adding the
2 17 following new subsection:
2 18 NEW SUBSECTION. 11A. "Gambling structure" means any
2 19 man-made stationary structure approved by the commission that
2 20 does not include a racetrack enclosure which is subject to
2 21 land-based building codes rather than maritime or Iowa
2 22 department of natural resources inspection laws and
2 23 regulations on which lawful gambling is authorized and
2 24 licensed as provided in this chapter.

2 25 Sec. 6. Section 99F.1, subsection 12, Code 2007, is
2 26 amended to read as follows:
2 27 12. "Gaming floor" means that portion of an excursion
2 28 gambling boat, gambling structure, or racetrack enclosure in
2 29 which gambling games are conducted as designated by the
2 30 commission.

2 31 Sec. 7. Section 99F.3, Code 2007, is amended to read as
2 32 follows:

2 33 99F.3 ~~EXCURSION BOAT GAMBLING GAMES AUTHORIZED.~~

2 34 The system of wagering on a gambling game as provided by
2 35 this chapter is legal, when conducted on an excursion gambling
3 1 boat, gambling structure, or racetrack enclosure at authorized
3 2 locations by a licensee as provided in this chapter.

3 3 Sec. 8. Section 99F.4, Code 2007, is amended by adding the
3 4 following new subsection:
3 5 NEW SUBSECTION. 25. To license the licensee of a gambling
3 6 structure subject to the provisions of this chapter and rules
3 7 adopted pursuant to this chapter relating to gambling and as
3 8 provided in section 99F.4D.

3 9 Sec. 9. NEW SECTION. 99F.4D GAMBLING GAMES AT GAMBLING
3 10 STRUCTURES == REQUIREMENTS == LICENSING.

3 11 1. Unless otherwise provided by this chapter, the
3 12 provisions of this chapter applicable to an excursion gambling
3 13 boat shall also apply to a gambling structure.

3 14 2. A licensee authorized to conduct gambling games on an
3 15 excursion boat may convert the license to authorize the
3 16 conducting of gambling games on a gambling structure with the
3 17 approval of the commission. In addition, a licensee
3 18 authorized to conduct gambling games on a moored barge may
3 19 elect to have the license treated to allow the conducting of
3 20 gambling games on a gambling structure with the approval of
3 21 the commission.

3 22 Sec. 10. Section 99F.5, Code 2007, is amended to read as
3 23 follows:

3 24 99F.5 LICENSE TO CONDUCT GAMBLING GAMES ON EXCURSION
3 25 GAMBLING BOAT == LICENSE TO OPERATE BOAT == APPLICATIONS ==
3 26 OPERATING AGREEMENTS == FEE.

3 27 1. A qualified sponsoring organization may apply to the
3 28 commission for a license to conduct gambling games on an
3 29 excursion gambling boat or gambling structure as provided in
3 30 this chapter. A person may apply to the commission for a
3 31 license to operate an excursion gambling boat. An operating
3 32 agreement entered into on or after May 6, 2004, between a
3 33 qualified sponsoring organization and an operator of an
3 34 excursion gambling boat or gambling structure shall provide
3 35 for a minimum distribution by the qualified sponsoring

4 1 organization for educational, civic, public, charitable,
4 2 patriotic, or religious uses as defined in section 99B.7,
4 3 subsection 3, paragraph "b", that averages at least three
4 4 percent of the adjusted gross receipts for each license year.
4 5 The application shall be filed with the administrator of the
4 6 commission at least ninety days before the first day of the
4 7 next excursion season as determined by the commission, shall
4 8 identify the excursion gambling boat upon which gambling games
4 9 will be authorized, shall specify the exact location where the
4 10 excursion gambling boat will be docked, and shall be in a form
4 11 and contain information as the commission prescribes. The
4 12 ~~minimum passenger capacity of an excursion gambling boat or~~
4 13 gambling structure is two hundred fifty persons.

4 14 2. The annual license fee to operate an excursion gambling
4 15 boat shall be based on the passenger-carrying capacity
4 16 including crew, for which the excursion gambling boat is
4 17 registered. ~~For a gambling structure, the annual license fee~~
4 18 shall be based on the capacity of the gambling structure. The
4 19 annual fee shall be five dollars per person capacity.

4 20 Sec. 11. Section 99F.7, subsection 1, Code 2007, is
4 21 amended to read as follows:

4 22 1. If the commission is satisfied that this chapter and
4 23 its rules adopted under this chapter applicable to licensees
4 24 have been or will be complied with, the commission shall issue
4 25 a license for a period of not more than three years to an
4 26 applicant to own a gambling game operation, to an applicant to
4 27 operate a gambling structure, and to an applicant to operate
4 28 an excursion gambling boat. The commission shall decide which
4 29 of the gambling games authorized under this chapter the
4 30 commission will permit. The commission shall decide the
4 31 number, location, and type of gambling structures and
4 32 excursion gambling boats licensed under this chapter for. ~~The~~
4 33 commission shall allow the operation of an excursion boat or
4 34 moored barge on or within one thousand feet of the high water
4 35 marks of the rivers, lakes, and reservoirs of this state. ~~An~~
~~5 1 excursion gambling boat may be located or operated on a~~
~~5 2 natural or man-made lake or reservoir if the lake or reservoir~~
~~5 3 is of sufficient size to accommodate recreational activity.~~
~~5 4 An excursion gambling boat may also be located on a man-made~~
~~5 5 basin or other body of water adjacent to a river, provided it~~
~~5 6 is located no more than one thousand feet from the high water~~
~~5 7 mark of the river,~~ as established by the commission in
5 8 consultation with the United States army corps of engineers,
5 9 the department of natural resources, or other appropriate
5 10 regulatory agency. The license shall set forth, as
5 11 applicable, the name of the licensee, the type of license
5 12 granted, the location of the gambling structure or the place
5 13 where the excursion gambling boats will operate and dock, and
5 14 the time and number of days during the excursion season and
5 15 the off season when gambling may be conducted by the licensee.

5 16 Sec. 12. Section 99F.7, subsection 2, Code 2007, is
5 17 amended by adding the following new paragraph:

5 18 NEW PARAGRAPH. c. A person awarded a new license to
5 19 conduct gambling games on an excursion gambling boat or
5 20 gambling structure in the same county as another licensed
5 21 excursion gambling boat or gambling structure shall only be

5 22 licensed to operate an excursion gambling boat or gambling
5 23 structure that is located at a similarly situated site and
5 24 operated as a substantially similar facility as any other
5 25 excursion gambling boat or gambling structure in the county.

5 26 Sec. 13. Section 99F.9, subsections 3 and 5, Code 2007,
5 27 are amended to read as follows:

5 28 3. The licensee may receive wagers only from a person
5 29 present on a licensed excursion gambling boat, licensed
5 30 gambling structure, or in a licensed racetrack enclosure.

5 31 5. A person under the age of twenty-one years shall not
5 32 make or attempt to make a wager on an excursion gambling boat,
5 33 gambling structure, or in a racetrack enclosure and shall not
5 34 be allowed on the gaming floor of an excursion gambling boat
5 35 or gambling structure or in the wagering area, as defined in
6 1 section 99D.2, or on the gaming floor of a racetrack
6 2 enclosure. However, a person eighteen years of age or older
6 3 may be employed to work on the gaming floor of an excursion
6 4 gambling boat or gambling structure or in the wagering area or
6 5 on the gaming floor of a racetrack enclosure. A person who
6 6 violates this subsection with respect to making or attempting
6 7 to make a wager commits a scheduled violation under section
6 8 805.8C, subsection 5.

6 9 Sec. 14. Section 99F.10, subsections 1, 2, and 4, Code
6 10 2007, are amended to read as follows:

6 11 1. A qualified sponsoring organization conducting gambling
6 12 games on an excursion gambling boat or gambling structure
6 13 licensed under section 99F.7 shall pay the tax imposed by
6 14 section 99F.11.

6 15 2. An excursion gambling boat or gambling structure
6 16 licensee shall pay to the commission a regulatory fee to be
6 17 charged as provided in this section.

6 18 4. In determining the license fees and state regulatory
6 19 fees to be charged as provided under section 99F.4 and this
6 20 section, the commission shall use as the basis for determining
6 21 the amount of revenue to be raised from the license fees and
6 22 regulatory fees the amount appropriated to the commission plus
6 23 the cost of salaries for no more than two special agents for
6 24 each excursion gambling boat or gambling structure and no more
6 25 than four gaming enforcement officers for each excursion
6 26 gambling boat or gambling structure with a patron capacity of
6 27 less than two thousand persons or no more than five gaming
6 28 enforcement officers for each excursion gambling boat or
6 29 gambling structure with a patron capacity of at least two
6 30 thousand persons, plus any direct and indirect support costs
6 31 for the agents and officers, for the division of criminal
6 32 investigation's excursion gambling boat or gambling structure
6 33 activities.

6 34 Sec. 15. Section 99F.11, subsection 2, Code 2007, is
6 35 amended to read as follows:

7 1 2. The tax rate imposed each fiscal year on any amount of
7 2 adjusted gross receipts over three million dollars shall be as
7 3 follows:

7 4 a. If the licensee is an excursion gambling boat or
7 5 gambling structure, twenty-two percent.

7 6 b. If the licensee is a racetrack enclosure conducting
7 7 gambling games and another licensee that is an excursion

7 8 gambling boat or gambling structure is located in the same
7 9 county, then the following rate, as applicable:

7 10 (1) If the licensee of the racetrack enclosure has not
7 11 been issued a table games license during the fiscal year or if
7 12 the adjusted gross receipts from gambling games of the
7 13 licensee in the prior fiscal year were less than one hundred
7 14 million dollars, twenty=two percent.

7 15 (2) If the licensee of the racetrack enclosure has been
7 16 issued a table games license during the fiscal year or prior
7 17 fiscal year and the adjusted gross receipts from gambling
7 18 games of the licensee in the prior fiscal year were one
7 19 hundred million dollars or more, twenty=two percent on
7 20 adjusted gross receipts received prior to the operational date
7 21 and twenty=four percent on adjusted gross receipts received on
7 22 or after the operational date. For purposes of this
7 23 subparagraph, the operational date is the date the commission
7 24 determines table games became operational at the racetrack
7 25 enclosure.

7 26 c. If the licensee is a racetrack enclosure conducting
7 27 gambling games and no licensee that is an excursion gambling
7 28 boat or gambling structure is located in the same county,
7 29 twenty=four percent.

7 30 Sec. 16. Section 99F.12, subsection 2, Code 2007, is
7 31 amended to read as follows:

7 32 2. The licensee shall furnish to the commission reports
7 33 and information as the commission may require with respect to
7 34 its activities. The gross receipts and adjusted gross
7 35 receipts from gambling shall be separately handled and
8 1 accounted for from all other moneys received from operation of
8 2 an excursion gambling boat or from operation of a racetrack
8 3 enclosure or gambling structure licensed to conduct gambling
8 4 games. The commission may designate a representative to board
8 5 a licensed excursion gambling boat or to enter a racetrack
8 6 enclosure or gambling structure licensed to conduct gambling
8 7 games, who shall have full access to all places within the
8 8 enclosure of the boat, the gambling structure, or the
8 9 racetrack enclosure, who shall directly supervise the handling
8 10 and accounting of all gross receipts and adjusted gross
8 11 receipts from gambling, and who shall supervise and check the
8 12 admissions. The compensation of a representative shall be
8 13 fixed by the commission but shall be paid by the licensee.

8 14 Sec. 17. Section 99F.15, subsection 3, Code 2007, is
8 15 amended to read as follows:

8 16 3. A person wagering or accepting a wager at any location
8 17 outside an excursion gambling boat, gambling structure, or a
8 18 racetrack enclosure is in violation of section 725.7.

8 19 Sec. 18. Section 99F.15, subsection 4, unnumbered
8 20 paragraph 1, Code 2007, is amended to read as follows:

8 21 A person commits a class "D" felony and, in addition, shall
8 22 be barred for life from excursion gambling boats and gambling
8 23 structures under the jurisdiction of the commission, if the
8 24 person does any of the following:

8 25 Sec. 19. Section 99F.15, subsection 4, paragraphs a and b,
8 26 Code 2007, are amended to read as follows:

8 27 a. Offers, promises, or gives anything of value or benefit
8 28 to a person who is connected with an excursion gambling boat

8 29 or gambling structure operator including, but not limited to,
8 30 an officer or employee of a licensee or holder of an
8 31 occupational license pursuant to an agreement or arrangement
8 32 or with the intent that the promise or thing of value or
8 33 benefit will influence the actions of the person to whom the
8 34 offer, promise, or gift was made in order to affect or attempt
8 35 to affect the outcome of a gambling game, or to influence
9 1 official action of a member of the commission.

9 2 b. Solicits or knowingly accepts or receives a promise of
9 3 anything of value or benefit while the person is connected
9 4 with an excursion gambling boat or gambling structure
9 5 including, but not limited to, an officer or employee of a
9 6 licensee, or holder of an occupational license, pursuant to an
9 7 understanding or arrangement or with the intent that the
9 8 promise or thing of value or benefit will influence the
9 9 actions of the person to affect or attempt to affect the
9 10 outcome of a gambling game, or to influence official action of
9 11 a member of the commission.

9 12 Sec. 20. Section 533C.103, subsection 13, Code 2007, is
9 13 amended to read as follows:

9 14 13. Pari-mutuel wagering, racetracks, ~~and~~ excursion
9 15 gambling boats, and gambling structures as provided in
9 16 chapters 99D and 99F.