

House Study Bill 592

1 Amend House Study Bill 592 as follows:

2 1. By striking everything after the enacting clause and  
3 inserting:

4 <Section 1. Section 99D.7, subsection 23, Code 2018, is  
5 amended to read as follows:

6 23. To require licensees to establish a process to allow  
7 a person to be voluntarily excluded from the wagering area of  
8 a racetrack enclosure and from the gaming floor and sports  
9 betting wagering area, as defined in section 99F.1, of all  
10 other licensed facilities under this chapter and chapter 99F  
11 as provided in this subsection. The process shall provide  
12 that an initial request by a person to be voluntarily excluded  
13 shall be for a period of five years or life and any subsequent  
14 request following any five-year period shall be for a period  
15 of five years or life. The process established shall require  
16 that a person requesting to be voluntarily excluded be provided  
17 information compiled by the Iowa department of public health  
18 on gambling treatment options and shall also require that a  
19 licensee disseminate information regarding persons voluntarily  
20 excluded to all licensees under this chapter and chapter 99F.  
21 The state and any licensee under this chapter or chapter 99F  
22 shall not be liable to any person for any claim which may arise  
23 from this process. In addition to any other penalty provided  
24 by law, any money or thing of value that has been obtained by,  
25 or is owed to, a voluntarily excluded person by a licensee as a  
26 result of wagers made by the person after the person has been  
27 voluntarily excluded shall not be paid to the person but shall  
28 be credited to the general fund of the state.

29 Sec. 2. Section 99F.1, subsection 1, Code 2018, is amended  
30 to read as follows:

31 1. "*Adjusted gross receipts*" means the gross receipts less  
32 winnings paid to wagerers on gambling games. "*Adjusted gross*  
33 *receipts*" also includes an amount equal to one-third of sports  
34 betting net receipts. However, "*adjusted gross receipts*"  
35 does not include promotional play receipts received after the

1 date in any fiscal year that the commission determines that  
2 the wagering tax imposed pursuant to section 99F.11 on all  
3 licensees in that fiscal year on promotional play receipts  
4 exceeds twenty-five million eight hundred twenty thousand  
5 dollars.

6 Sec. 3. Section 99F.1, Code 2018, is amended by adding the  
7 following new subsections:

8 NEW SUBSECTION. 23. "*Sports betting*" means the acceptance  
9 of wagers on collegiate or professional sporting events by any  
10 system of wagering as authorized by the commission. "*Sports*  
11 *betting*" does not include wagering on a race as defined in  
12 section 99D.2.

13 NEW SUBSECTION. 24. "*Sports betting net receipts*" means  
14 the gross receipts less winnings paid to wagerers on sports  
15 betting.

16 NEW SUBSECTION. 25. "*Sports betting wagering area*" means  
17 that portion of an excursion gambling boat, gambling structure,  
18 or racetrack enclosure in which sports betting is conducted as  
19 designated by the commission.

20 Sec. 4. Section 99F.3, Code 2018, is amended to read as  
21 follows:

22 **99F.3 Gambling games and sports betting authorized.**

23 The system of wagering on a gambling game and sports betting  
24 as provided by this chapter is legal, when conducted on an  
25 excursion gambling boat, gambling structure, or racetrack  
26 enclosure at authorized locations by a licensee as provided in  
27 this chapter.

28 Sec. 5. Section 99F.4, subsections 3 and 22, Code 2018, are  
29 amended to read as follows:

30 3. To adopt standards under which all excursion gambling  
31 boat operations shall be held and standards for the facilities  
32 within which the gambling operations are to be held. The  
33 commission may authorize the operation of gambling games and  
34 sports betting on an excursion gambling boat which is also  
35 licensed to sell or serve alcoholic beverages, wine, or beer as

1 defined in section 123.3.

2 22. To require licensees to establish a process to allow  
3 a person to be voluntarily excluded from the gaming floor and  
4 the sports betting wagering area of an excursion gambling boat  
5 and from the wagering area, as defined in section 99D.2, and  
6 the gaming floor and the sports betting wagering area of all  
7 other licensed facilities under this chapter and chapter 99D  
8 as provided in this subsection. The process shall provide  
9 that an initial request by a person to be voluntarily excluded  
10 shall be for a period of five years or life and any subsequent  
11 request following any five-year period shall be for a period  
12 of five years or life. The process established shall require  
13 that a person requesting to be voluntarily excluded be provided  
14 information compiled by the Iowa department of public health  
15 on gambling treatment options and shall also require that a  
16 licensee disseminate information regarding persons voluntarily  
17 excluded to all licensees under this chapter and chapter 99D.  
18 The state and any licensee under this chapter or chapter 99D  
19 shall not be liable to any person for any claim which may arise  
20 from this process. In addition to any other penalty provided  
21 by law, any money or thing of value that has been obtained by,  
22 or is owed to, a voluntarily excluded person by a licensee as a  
23 result of wagers made by the person after the person has been  
24 voluntarily excluded shall not be paid to the person but shall  
25 be credited to the general fund of the state.

26 Sec. 6. Section 99F.4, Code 2018, is amended by adding the  
27 following new subsection:

28 NEW SUBSECTION. 27. To adopt standards under which all  
29 sports betting is conducted.

30 Sec. 7. NEW SECTION. **99F.7A Sports betting — license —**  
31 **terms and conditions — fees.**

32 1. The commission shall, upon payment of an initial license  
33 fee of twenty-five thousand dollars and submission of an  
34 application to the commission, issue a license to conduct or  
35 operate sports betting to a licensee authorized to conduct or

1 operate gambling games under section 99F.4A or 99F.7, subject  
2 to the requirements of this chapter. The annual renewal fee  
3 for a license to conduct or operate sports betting shall be  
4 fifteen thousand dollars. Of the moneys collected by the  
5 commission from the license fees paid under this section, an  
6 amount equal to five thousand dollars of the initial license  
7 fee and five thousand dollars of the annual renewal fee shall  
8 be considered repayment receipts as defined in section 8.2.  
9 The remainder of the moneys collected by the commission from  
10 fees paid under this subsection shall be deposited in the  
11 rebuild Iowa infrastructure fund created in section 8.57.

12 2. A licensee issued a license to conduct or operate sports  
13 betting under this section shall employ commercially reasonable  
14 steps to prohibit coaches, athletic trainers, officials,  
15 players, or other individuals who participate in a collegiate  
16 or professional sporting event that is the subject of sports  
17 betting from sports betting under this chapter. In addition, a  
18 licensee shall employ commercially reasonable steps to prohibit  
19 persons who are employed in a position with direct involvement  
20 with coaches, players, athletic trainers, officials, players,  
21 or participants in a collegiate or professional sporting event  
22 that is the subject of sports betting from sports betting under  
23 this chapter.

24 Sec. 8. Section 99F.8, Code 2018, is amended to read as  
25 follows:

26 **99F.8 Bond of licensee.**

27 A licensee licensed under section 99F.7 shall post a bond  
28 to the state of Iowa before the license is issued in a sum  
29 as the commission shall fix, with sureties to be approved by  
30 the commission. The bond shall be used to guarantee that the  
31 licensee faithfully makes the payments, keeps its books and  
32 records and makes reports, and conducts its gambling games and  
33 sports betting in conformity with this chapter and the rules  
34 adopted by the commission. The bond shall not be canceled by  
35 a surety on less than thirty days' notice in writing to the

1 commission. If a bond is canceled and the licensee fails to  
2 file a new bond with the commission in the required amount on  
3 or before the effective date of cancellation, the licensee's  
4 license shall be revoked. The total and aggregate liability  
5 of the surety on the bond is limited to the amount specified in  
6 the bond.

7 Sec. 9. Section 99F.9, subsection 1, Code 2018, is amended  
8 to read as follows:

9 1. Except as permitted in this section, the licensee shall  
10 permit no form of wagering on gambling games or sports betting.

11 Sec. 10. Section 99F.9, Code 2018, is amended by adding the  
12 following new subsection:

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

15 (1) "*Advance deposit sports betting wagering*" means a method  
16 of sports betting wagering in which an eligible individual  
17 may, in an account established in person with a licensee under  
18 section 99F.7A, deposit moneys into the account and use the  
19 account balance to pay for sports betting wagering.

20 (2) "*Eligible individual*" means an individual who is at  
21 least twenty-one years of age or older who is either a resident  
22 of this state or who is domiciled in this state.

23 b. The commission may authorize a licensee under section  
24 99F.7A to conduct advance deposit sports betting wagering. An  
25 advance deposit sports betting wager may be placed in person  
26 on a licensed excursion gambling boat, licensed gambling  
27 structure, or in a licensed racetrack enclosure, or from  
28 any other location via a telephone-type device or any other  
29 electronic means.

30 c. An unlicensed person taking or receiving sports betting  
31 wagers from residents of this state is guilty of a class "D"  
32 felony.

33 Sec. 11. Section 99F.9, subsection 4, Code 2018, is amended  
34 to read as follows:

35 4. A person under the age of twenty-one years shall not make

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

13 Sec. 12. Section 99F.11, subsection 1, Code 2018, is amended  
14 to read as follows:

15 1. A tax is imposed on the adjusted gross receipts received  
16 each fiscal year ~~from gambling games authorized under this~~  
17 ~~chapter~~ at the rate of five percent on the first one million  
18 dollars of adjusted gross receipts and at the rate of ten  
19 percent on the next two million dollars of adjusted gross  
20 receipts.

21 Sec. 13. Section 99F.11, subsection 2, paragraph b,  
22 subparagraph (2), Code 2018, is amended to read as follows:

23 (2) If the licensee of the racetrack enclosure has been  
24 issued a table games license during the fiscal year or prior  
25 fiscal year and the adjusted gross receipts from gambling  
26 games of the licensee in the prior fiscal year were one  
27 hundred million dollars or more, twenty-two percent on adjusted  
28 gross receipts received prior to the operational date, and  
29 twenty-four percent on adjusted gross receipts from gambling  
30 games and twenty-two percent on adjusted gross receipts from  
31 sports betting received on or after the operational date. For  
32 purposes of this subparagraph, the operational date is the date  
33 the commission determines table games became operational at the  
34 racetrack enclosure.

35 Sec. 14. Section 99F.11, subsection 2, paragraph c, Code

1 2018, is amended to read as follows:

2 *c.* If the licensee is a racetrack enclosure conducting  
3 gambling games and no licensee that is an excursion gambling  
4 boat or gambling structure is located in the same county,  
5 twenty-four percent on adjusted gross receipts from gambling  
6 games and twenty-two percent on adjusted gross receipts from  
7 sports betting.

8 Sec. 15. Section 99F.15, subsection 1, paragraph c, Code  
9 2018, is amended to read as follows:

10 *c.* Acting, or employing a person to act, as a shill or  
11 decoy to encourage participation in a gambling game or sports  
12 betting.

13 Sec. 16. Section 99F.15, subsection 4, paragraphs d, h, and  
14 i, Code 2018, are amended to read as follows:

15 *d.* Cheats at a gambling game, including but not limited to  
16 committing any act which alters the outcome of the game, or  
17 cheats at sports betting.

18 *h.* Claims, collects, or takes, or attempts to claim,  
19 collect, or take, money or anything of value in or from the  
20 gambling games or sports betting, with intent to defraud,  
21 without having made a wager contingent on winning a gambling  
22 game or sports betting wager, or claims, collects, or takes an  
23 amount of money or thing of value of greater value than the  
24 amount won.

25 *i.* Knowingly entices or induces a person to go to any place  
26 where a gambling game or sports betting is being conducted or  
27 operated in violation of the provisions of this chapter with  
28 the intent that the other person plays or participates in that  
29 gambling game or sports betting.

30 Sec. 17. CONTINGENT EFFECTIVE DATE. This Act takes effect  
31 forty-five days after the earlier of the date that the federal  
32 Professional and Amateur Sports Protection Act of 1992, 28  
33 U.S.C. §3701 to 3704, is rendered void and unenforceable as  
34 it relates to this Act as a result of a final judgment of the  
35 Supreme Court of the United States, or is repealed or otherwise

1 modified by the Congress of the United States in a manner that  
2 does not prohibit sports betting in this state. The racing  
3 and gaming commission shall submit a notice for publication in  
4 the Iowa administrative bulletin, with a written copy provided  
5 to the Iowa Code editor, specifying the effective date of this  
6 Act.>

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