

Lamberti  
Kramer  
DeLukeny

Succeeded By  
SF/HF 2327

SSB 3185  
Appropriations

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
APPROPRIATIONS BILL  
BY CHAIRPERSON LAMBERTI)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to gambling by providing for agreements for  
2 purses and supplements for pari-mutuel horse racing, creating  
3 a governing board for a pari-mutuel horse racetrack, and  
4 providing an effective date.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 99F.6, subsection 4, paragraph a, Code  
2 2001, is amended to read as follows:

3 a. Before a license is granted, the division of criminal  
4 investigation of the department of public safety shall conduct  
5 a thorough background investigation of the applicant for a  
6 license to operate a gambling game operation on an excursion  
7 gambling boat. The applicant shall provide information on a  
8 form as required by the division of criminal investigation. A  
9 qualified sponsoring organization licensed to operate gambling  
10 games under this chapter shall distribute the receipts of all  
11 gambling games, less reasonable expenses, charges, taxes,  
12 fees, and deductions allowed under this chapter, as winnings  
13 to players or participants or shall distribute the receipts  
14 for educational, civic, public, charitable, patriotic, or  
15 religious uses as defined in section 99B.7, subsection 3,  
16 paragraph "b". However, if a licensee who is also licensed to  
17 conduct pari-mutuel wagering at a horse racetrack has unpaid  
18 debt from the pari-mutuel racetrack operations, the first  
19 receipts of the gambling games operated within the racetrack  
20 enclosure less reasonable operating expenses, taxes, and fees  
21 allowed under this chapter shall be first used to pay the  
22 annual indebtedness. The commission shall authorize, subject  
23 to the debt payments for horse racetracks and the provisions  
24 of paragraph "b" for dog racetracks, a licensee who is also  
25 licensed to conduct pari-mutuel dog or horse racing to use  
26 receipts from gambling games within the racetrack enclosure to  
27 supplement purses for races particularly for Iowa-bred horses  
28 pursuant to an agreement which shall be negotiated between the  
29 licensee and representatives of the dog or horse owners. If  
30 an agreement to use receipts from gambling games for purses  
31 and supplements for horse racing exists on July 1, 2002, the  
32 agreement shall remain in effect until its termination and,  
33 thereafter, the annual subsidy from gambling game receipts  
34 used for the purses and supplements for horse racing in an  
35 agreement shall not exceed seven million dollars plus the

1 amount wagered on live horse races held at the racetrack  
 2 enclosure during the preceding calendar year. Any annual  
 3 decrease in subsidy to a licensee resulting from an agreement  
 4 regarding gambling game receipts used for purses and  
 5 supplements for horse racing entered into after July 1, 2002,  
 6 shall be distributed for educational, civic, public,  
 7 charitable, patriotic, or religious uses as otherwise provided  
 8 in this paragraph. A qualified sponsoring organization shall  
 9 not make a contribution to a candidate, political committee,  
 10 candidate's committee, state statutory political committee,  
 11 county statutory political committee, national political  
 12 party, or fund-raising event as these terms are defined in  
 13 section 56.2. The membership of the board of directors of a  
 14 qualified sponsoring organization shall represent a broad  
 15 interest of the communities.

16 Sec. 2. NEW SECTION. 99F.7A PARI-MUTUEL HORSE RACETRACK  
 17 ENCLOSURE -- GOVERNING BOARD.

18 1. a. Notwithstanding section 99D.9 or 99F.4A, if the  
 19 proposition to operate gambling games at a horse racetrack  
 20 enclosure is approved by the county electorate pursuant to  
 21 section 99F.7, subsection 10, paragraph "d", at the general  
 22 election held in 2002, the commission shall transfer the pari-  
 23 mutuel wagering and gambling game licenses at the horse  
 24 racetrack enclosure to a board of directors consisting of the  
 25 following members:

26 (1) The members of the board of supervisors of the county  
 27 in which the horse racetrack enclosure is located or their  
 28 designees. If a member of the board of supervisors elects not  
 29 to serve, the board of supervisors shall select a designee. A  
 30 designee shall serve at the pleasure of the board of  
 31 supervisors.

32 (2) A member of the city council of the six most populous  
 33 cities located in the county in which the horse racetrack  
 34 enclosure is located or a designee. A city council may select  
 35 a designee in lieu of a council member and the designee shall

1 serve at the council's pleasure.

2 (3) A member of a city council of a city other than the  
3 six most populous cities located in the county in which the  
4 horse racetrack enclosure is located or a designee. The  
5 council member or a designee shall be selected by a conference  
6 of all city council members from the affected cities. The  
7 date, time, and location of a conference shall be determined  
8 by the mayor of the most populous city of the affected cities.  
9 The mayor shall give notice of a conference to the city clerk  
10 of each affected city at least fourteen days before the date  
11 of the conference. A selected designee shall serve at the  
12 conference's pleasure.

13 (4) A member appointed by the governing body of the united  
14 way of central Iowa.

15 (5) A member appointed by the governing body of the Polk-  
16 Des Moines taxpayers' association.

17 (6) A member appointed by the governing body of the south  
18 central Iowa federation of labor.

19 (7) A member appointed by the governing body of the  
20 greater Des Moines partnership.

21 (8) A member appointed by the governing body of the  
22 greater Des Moines community foundation.

23 (9) An owner of a race horse appointed by the other  
24 members of the board of directors.

25 b. A member of the board of directors other than a  
26 designee or county supervisor shall be appointed to a three-  
27 year term of office and shall serve not more than two  
28 consecutive terms. A vacancy on the board of directors shall  
29 be filled in the same manner as the predecessor was selected.

30 c. If an organization or association appointing a member  
31 of the board of directors pursuant to paragraph "a",  
32 subparagraphs (4) through (8) ceases to exist, the remaining  
33 members of the board of directors shall appoint a successor  
34 who is an eligible elector of the county to represent the  
35 public at large.



1 supervisors of Polk county or their designees, a city council  
2 member or designee from each of the six largest cities in Polk  
3 county, a city council member or designee from one of the  
4 remaining cities in Polk county, one member appointed by each  
5 of the following organizations, including united way of  
6 central Iowa, the Polk-Des Moines taxpayers' association,  
7 south central Iowa federation of labor, greater Des Moines  
8 partnership, and greater Des Moines community foundation, and  
9 the owner of a race horse. If a designee is appointed in lieu  
10 of a supervisor or city council member, the designee shall be  
11 selected by all of the affected supervisors or city council  
12 members and the designee shall serve at the pleasure of the  
13 appointing board or council. A member of the board of  
14 directors other than a designee or county supervisor shall be  
15 appointed to a three-year term of office and shall serve not  
16 more than two consecutive terms.

17 If an organization or association appointing a member of  
18 the board of directors ceases to exist, the remaining member  
19 of the board of directors shall appoint a successor who is an  
20 eligible elector of Polk county to represent the public at  
21 large.

22 The board of directors is to organize annually by electing  
23 officers as deemed necessary. The board of directors shall  
24 adopt rules of procedure and take actions as may be reasonable  
25 or appropriate to supervise and administer the gambling game  
26 operations of the racetrack enclosure.

27 The bill takes effect upon enactment.

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FILED APR 2 2002

SENATE FILE 2327

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 3185)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to gambling by providing for agreements for  
2 purses and supplements for pari-mutuel horse racing, creating  
3 a governing board for a pari-mutuel horse racetrack, imposing  
4 a tax on gambling games at certain racetrack enclosures, and  
5 providing an effective date.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2327

1 Section 1. Section 99F.6, subsection 4, paragraph a, Code  
2 2001, is amended to read as follows:

3 a. Before a license is granted, the division of criminal  
4 investigation of the department of public safety shall conduct  
5 a thorough background investigation of the applicant for a  
6 license to operate a gambling game operation on an excursion  
7 gambling boat. The applicant shall provide information on a  
8 form as required by the division of criminal investigation. A  
9 qualified sponsoring organization licensed to operate gambling  
10 games under this chapter shall distribute the receipts of all  
11 gambling games, less reasonable expenses, charges, taxes,  
12 fees, and deductions allowed under this chapter, as winnings  
13 to players or participants or shall distribute the receipts  
14 for educational, civic, public, charitable, patriotic, or  
15 religious uses as defined in section 99B.7, subsection 3,  
16 paragraph "b". However, if a licensee who is also licensed to  
17 conduct pari-mutuel wagering at a horse racetrack has unpaid  
18 debt from the pari-mutuel racetrack operations, the first  
19 receipts of the gambling games operated within the racetrack  
20 enclosure less reasonable operating expenses, taxes, and fees  
21 allowed under this chapter shall be first used to pay the  
22 annual indebtedness. The commission shall authorize, subject  
23 to the debt payments for horse racetracks and the provisions  
24 of paragraph "b" for dog racetracks, a licensee who is also  
25 licensed to conduct pari-mutuel dog or horse racing to use  
26 receipts from gambling games within the racetrack enclosure to  
27 supplement purses for races particularly for Iowa-bred horses  
28 pursuant to an agreement which shall be negotiated between the  
29 licensee and representatives of the dog or horse owners. If  
30 an agreement to use receipts from gambling games for purses  
31 and supplements for horse racing exists on July 1, 2002, the  
32 agreement shall remain in effect until its termination and,  
33 thereafter, the annual subsidy from gambling game receipts  
34 used for the purses and supplements for horse racing in an  
35 agreement shall not exceed seven million dollars plus the

1 amount wagered on live horse races held at the racetrack  
2 enclosure during the preceding calendar year. Any annual  
3 decrease in subsidy to a licensee resulting from an agreement  
4 regarding gambling game receipts used for purses and  
5 supplements for horse racing entered into after July 1, 2002,  
6 shall be distributed for educational, civic, public,  
7 charitable, patriotic, or religious uses as otherwise provided  
8 in this paragraph. A qualified sponsoring organization shall  
9 not make a contribution to a candidate, political committee,  
10 candidate's committee, state statutory political committee,  
11 county statutory political committee, national political  
12 party, or fund-raising event as these terms are defined in  
13 section 56.2. The membership of the board of directors of a  
14 qualified sponsoring organization shall represent a broad  
15 interest of the communities.

16 Sec. 2. NEW SECTION. 99F.7A PARI-MUTUEL HORSE RACETRACK  
17 ENCLOSURE -- GOVERNING BOARD.

18 1. a. Notwithstanding section 99D.9 or 99F.4A, if the  
19 proposition to operate gambling games at a horse racetrack  
20 enclosure is approved by the county electorate pursuant to  
21 section 99F.7, subsection 10, paragraph "d", at the general  
22 election held in 2002, the commission shall transfer the pari-  
23 mutuel wagering and gambling game licenses at the horse  
24 racetrack enclosure to a board of directors consisting of the  
25 following members:

26 (1) The members of the board of supervisors of the county  
27 in which the horse racetrack enclosure is located or their  
28 designees. If a member of the board of supervisors elects not  
29 to serve, the board of supervisors shall select a designee. A  
30 designee shall serve at the pleasure of the board of  
31 supervisors.

32 (2) A member of the city council of the six most populous  
33 cities located in the county in which the horse racetrack  
34 enclosure is located or a designee. A city council may select  
35 a designee in lieu of a council member and the designee shall

1 serve at the council's pleasure.

2 (3) A member of a city council of a city other than the  
3 six most populous cities located in the county in which the  
4 horse racetrack enclosure is located or a designee. The  
5 council member or a designee shall be selected by a conference  
6 of all city council members from the affected cities. The  
7 date, time, and location of a conference shall be determined  
8 by the mayor of the most populous city of the affected cities.  
9 The mayor shall give notice of a conference to the city clerk  
10 of each affected city at least fourteen days before the date  
11 of the conference. A selected designee shall serve at the  
12 conference's pleasure.

13 (4) A member appointed by the governing body of the united  
14 way of central Iowa.

15 (5) A member appointed by the governing body of the Polk-  
16 Des Moines taxpayers' association.

17 (6) A member appointed by the governing body of the south  
18 central Iowa federation of labor.

19 (7) A member appointed by the governing body of the  
20 greater Des Moines partnership.

21 (8) A member appointed by the governing body of the  
22 greater Des Moines community foundation.

23 (9) An owner of a race horse appointed by the other  
24 members of the board of directors.

25 b. A member of the board of directors other than a  
26 designee or county supervisor shall be appointed to a three-  
27 year term of office and shall serve not more than two  
28 consecutive terms. A vacancy on the board of directors shall  
29 be filled in the same manner as the predecessor was selected.

30 c. If an organization or association appointing a member  
31 of the board of directors pursuant to paragraph "a",  
32 subparagraphs (4) through (8) ceases to exist, the remaining  
33 members of the board of directors shall appoint a successor  
34 who is an eligible elector of the county to represent the  
35 public at large.

1     2. The board of directors created pursuant to subsection 1  
2 shall organize annually by the election of a chairperson, vice  
3 chairperson, and other officers as deemed necessary from among  
4 its members. The initial meeting of the board shall be called  
5 by the chairperson of the board of supervisors. The board  
6 shall adopt rules of procedure and take actions as may be  
7 reasonable or appropriate to supervise and administer the  
8 gambling game operations of the racetrack enclosure.

9     Sec. 3. Section 99F.11, unnumbered paragraph 1, Code 2001,  
10 is amended to read as follows:

11     A tax is imposed on the adjusted gross receipts received  
12 annually from gambling games authorized under this chapter at  
13 the rate of five percent on the first one million dollars of  
14 adjusted gross receipts, at the rate of ten percent on the  
15 next two million dollars of adjusted gross receipts, and at  
16 the rate of twenty percent on any amount of adjusted gross  
17 receipts over three million dollars. However, beginning  
18 January 1, 1997, the rate on any amount of adjusted gross  
19 receipts over three million dollars from gambling games at  
20 racetrack enclosures is twenty-two percent and shall increase  
21 by two percent each succeeding calendar year until the rate is  
22 thirty-six percent. However, at racetrack enclosures at which  
23 the total amount of adjusted gross receipts from gambling  
24 games annually is not more than seventy million dollars, the  
25 tax rate on the amount of adjusted gross receipts over three  
26 million dollars from gambling games is the rate which was in  
27 effect on December 31, 2001. The taxes imposed by this  
28 section shall be paid by the licensee to the treasurer of  
29 state within ten days after the close of the day when the  
30 wagers were made and shall be distributed as follows:

31     Sec. 4. EFFECTIVE DATE. This Act, being deemed of  
32 immediate importance, takes effect upon enactment and the tax  
33 rate change in section 3 of this Act applies on and after the  
34 effective date of this Act.

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EXPLANATION

1 This bill relates to agreements to use gambling game  
2 receipts for purses and supplements for horse races and  
3 creates a board of directors for the licensee of the horse  
4 racetrack enclosure in Polk county.

5 The bill provides that any agreement to use gambling game  
6 receipts for purses and supplements for horse racing which is  
7 entered into after July 1, 2002, shall not exceed \$7 million  
8 annually plus the amount wagered on live horse races held at  
9 the racetrack enclosure for the preceding calendar year.

10 The bill also provides that if an agreement relating to  
11 such receipts used for purses and supplements for horse racing  
12 which is entered into after July 1, 2002, results in an annual  
13 reduction in subsidy to the licensee, the savings shall be  
14 distributed for educational, civic, public, charitable,  
15 patriotic, or religious uses.

16 The bill also provides that if the continuation of gambling  
17 games is approved at the general election in 2002, the state  
18 racing and gaming commission shall transfer the pari-mutuel  
19 wagering and gambling game licenses at the horse racetrack  
20 enclosure to a board of directors composed of elected county  
21 and city officials, representatives of labor, a taxpayer  
22 association, united way, other organizations which are  
23 potential recipients of gambling profits, and a race horse  
24 owner. The board of directors include members of the board of  
25 supervisors of Polk county or their designees, a city council  
26 member or designee from each of the six largest cities in Polk  
27 county, a city council member or designee from one of the  
28 remaining cities in Polk county, one member appointed by each  
29 of the following organizations, including united way of  
30 central Iowa, the Polk-Des Moines taxpayers' association,  
31 south central Iowa federation of labor, greater Des Moines  
32 partnership, and greater Des Moines community foundation, and  
33 the owner of a race horse. If a designee is appointed in lieu  
34 of a supervisor or city council member, the designee shall be  
35 selected by all of the affected supervisors or city council

1 members and the designee shall serve at the pleasure of the  
2 appointing board or council. A member of the board of  
3 directors other than a designee or county supervisor shall be  
4 appointed to a three-year term of office and shall serve not  
5 more than two consecutive terms.

6 If an organization or association appointing a member of  
7 the board of directors ceases to exist, the remaining member  
8 of the board of directors shall appoint a successor who is an  
9 eligible elector of Polk county to represent the public at  
10 large.

11 The board of directors is to organize annually by electing  
12 officers as deemed necessary. The board of directors shall  
13 adopt rules of procedure and take actions as may be reasonable  
14 or appropriate to supervise and administer the gambling game  
15 operations of the racetrack enclosure.

16 The bill also provides that the tax rate which was in  
17 effect on December 31, 2001, shall be levied on the adjusted  
18 gross receipts from gambling games between \$3 million and \$70  
19 million at racetrack enclosures at which the total adjusted  
20 gross receipts received from gambling games annually is not  
21 more than \$70 million. The tax rate on the adjusted gross  
22 receipts over \$3 million from gambling games at racetrack  
23 enclosures was 30 percent for the calendar year ending  
24 December 31, 2001.

25 The bill takes effect upon enactment and the tax rate  
26 change in Code section 99F.11 as amended by this bill applies  
27 on and after the effective date after this Act.

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# Legislative Fiscal Bureau

## Fiscal Note

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Senate File 2327 – Prairie Meadows Board of Directors (LSB 7095 SV)  
Analyst: Ron Robinson (Phone: (515) 281-6256) (Ron.Robinson@legis.state.ia.us)  
Fiscal Note Version - New

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### Description

Senate File 2327 provides that racetrack enclosures at which the total amount of adjusted gross receipts from gambling games annually is not more than \$70.0 million, the tax rate on the amount of adjusted gross receipts over \$3.0 million is 30.0%.

### Assumptions

1. Maintains the tax rate of 5.0% on the first million of adjusted gross receipts and 10.0% tax rate on the next \$2.0 million of revenue.
2. Adjusted Gross Receipts are assumed to remain the same beginning in FY 2003.
3. State gaming tax receipts do not include Gamblers Treatment.
4. The lower rate will only impact Dubuque Greyhound Park.
5. Dubuque Greyhound Park would continue to operate with or without a change in the tax rate.
6. The annual adjusted gross revenue from slot machines at the Dubuque Greyhound Park is \$37.0 million.
7. Dubuque Greyhound Park pays approximately \$960,000 to the State in the form of Pari-Mutuel Taxes.
8. The provisions of SF 2327 are effective upon enactment. The estimated impact is based on a June 1, 2002, implementation date.

### Fiscal Impact

The fiscal impact of Senate File 2327 will result in a loss of revenue to the Rebuild Iowa Infrastructure Fund (RIIF) as follows:

FY 2002 \$0.06 million  
FY 2003 \$1.1 million  
FY 2004 \$1.7 million  
FY 2005 and each succeeding fiscal year \$2.0 million

### Source

February 21, 2002, Revenue Estimating Conference (REC)

/s/ Dennis C Prouty

April 3, 2002

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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**SENATE FILE 2327****S-5379**

1 Amend Senate File 2327 as follows:

2 1. By striking page 2, line 26, through page 4,  
3 line 8, and inserting the following:

4 "( ) One member representing the Iowa harness  
5 racing association appointed by the members of the  
6 association.

7 ( ) One member representing the Iowa  
8 thoroughbred breeders and owners association appointed  
9 by the members of the association.

10 ( ) One member representing the Iowa  
11 quarterhorse racing association appointed by the  
12 members of the association.

13 ( ) Five members of the racing association of  
14 central Iowa appointed by its membership. The five  
15 members shall be appointed to terms of office as  
16 determined by the other members of the public board of  
17 directors. Thereafter, their successors shall be  
18 selected by the other members of the public board of  
19 directors to represent the public at large. An  
20 elected or appointed city or county officer or  
21 employee shall not serve on the board of directors  
22 that holds the license to conduct gambling games at a  
23 horse racetrack enclosure."

24 2. By renumbering as necessary.

By DENNIS H. BLACK

**S-5379** FILED APRIL 3, 2002

**SENATE FILE 2327****S-5380**

1 Amend Senate File 2327 as follows:

2 1. Page 4, line 18, by striking the figure "1997"  
3 and inserting the following: "~~1997~~ 2002".

4 2. Page 4, line 20, by striking the word "twenty-  
5 two" and inserting the following: "~~twenty-two~~ thirty-  
6 two".

7 3. Page 4, line 20, by striking the word  
8 "increase" and inserting the following: "~~increase~~  
9 reduce".

10 4. Page 4, line 22, by striking the word "thirty-  
11 six" and inserting the following: "~~thirty-six~~  
12 twenty".

By DENNIS H. BLACK

**S-5380** FILED APRIL 3, 2002

## SENATE FILE 2327

## S-5381

1 Amend Senate File 2327 as follows:

2 1. By striking page 2, line 16 through page 4,  
3 line 34 and inserting the following:

4 "Sec. \_\_\_\_\_. Section 99F.6, Code 2001, is amended by  
5 adding the following new subsection:

6 NEW SUBSECTION. 9. The commission shall require  
7 that each licensee shall contribute annually at least  
8 eight percent of the adjusted gross receipts received  
9 from gambling games to the nonprofit licensee for  
10 distribution to one or more educational, civic,  
11 public, charitable, patriotic, or religious  
12 organizations.

13 Sec. \_\_\_\_\_. NEW SECTION. 99F.7A PARI-MUTUEL PURSES  
14 AND SUPPLEMENTS.

15 Notwithstanding section 99F.6, subsection 4, the  
16 licensees of pari-mutuel racetrack enclosures shall  
17 determine the annual subsidy of purses or supplements  
18 which shall not be less than twelve percent of the  
19 adjusted gross receipts from games for the preceding  
20 calendar year plus the total amount of pari-mutuel  
21 wagers on live races.

22 Sec. \_\_\_\_\_. Section 99F.11, unnumbered paragraph 1,  
23 Code 2001, is amended to read as follows:

24 A tax is imposed on the adjusted gross receipts  
25 received annually from gambling games authorized under  
26 this chapter at the rate of five percent on the first  
27 one million dollars of adjusted gross receipts, at the  
28 rate of ten percent on the next two million dollars of  
29 adjusted gross receipts, and at the rate of ~~twenty~~  
30 twenty-eight percent on any amount of adjusted gross  
31 receipts over three million dollars. ~~However,~~  
32 ~~beginning January 1, 1997, the rate on any amount of~~  
33 ~~adjusted gross receipts over three million dollars~~  
34 ~~from gambling games at racetrack enclosures is twenty-~~  
35 ~~two percent and shall increase by two percent each~~  
36 ~~succeeding calendar year until the rate is thirty-six~~  
37 ~~percent.~~ The taxes imposed by this section shall be  
38 paid by the licensee to the treasurer of state within  
39 ten days after the close of the day when the wagers  
40 were made and shall be distributed as follows:"

41 2. By renumbering as necessary.

By DENNIS BLACK

S-5381 FILED APRIL 3, 2002

**SENATE FILE 2327****S-5413**

1 Amend Senate File 2327 as follows:

2 1. Page 4, by striking lines 11 through 30, and  
3 inserting the following:

4 "Sec. \_\_\_\_ . Section 99F.11, unnumbered paragraph 1,  
5 Code 2001, is amended to read as follows:

6 A tax is imposed on the adjusted gross receipts  
7 received annually from gambling games authorized under  
8 this chapter at the rate of five percent on the first  
9 one million dollars of adjusted gross receipts, at the  
10 rate of ten percent on the next two million dollars of  
11 adjusted gross receipts, and at the rate of twenty  
12 percent on any amount of adjusted gross receipts over  
13 three million dollars. However, ~~beginning January 1,~~  
14 ~~1997,~~ the rate on any amount of adjusted gross  
15 receipts over three million dollars from gambling  
16 games at racetrack enclosures is ~~twenty-two~~ thirty-two  
17 ~~percent and shall increase by two percent each~~  
18 ~~succeeding calendar year until the rate is thirty-six~~  
19 ~~percent.~~ The taxes imposed by this section shall be  
20 paid by the licensee to the treasurer of state within  
21 ten days after the close of the day when the wagers  
22 were made and shall be distributed as follows:"

23 2. By renumbering as necessary.

By DENNIS BLACK

**S-5413** FILED APRIL 9, 2002

**SENATE FILE 2327****S-5414**

1 Amend Senate File 2327 as follows:

2 1. Page 4, line 24 by inserting after the word  
3 "than" the following: "one hundred".

By DENNIS H. BLACK

**S-5414** FILED APRIL 9, 2002

**SENATE FILE 2327****S-5415**

1 Amend Senate File 2327 as follows:

2 1. Page 1, line 35, by striking the word "seven"  
3 and inserting the following: "fourteen".

4 2. Page 2, by striking lines 1 and 2 and  
5 inserting the following: "amount of wagering revenue  
6 that exceeds the amount wagered on live horse races  
7 held at the racetrack enclosure during the 2002 racing  
8 season. Any annual".

By DENNIS H. BLACK

**S-5415** FILED APRIL 9, 2002

**SENATE FILE 2327****S-5416**

1 Amend Senate File 2327 as follows:  
2 1. Page 1, line 35, by striking the word "seven"  
3 and inserting the following: "fifteen".  
4 2. Page 2, by striking lines 1 and 2 and  
5 inserting the following: "amount of wagering revenue  
6 that exceeds the amount wagered on live horse races  
7 held at the racetrack enclosure during the 2002 racing  
8 season. Any annual".

By DENNIS H. BLACK

**S-5416** FILED APRIL 9, 2002**SENATE FILE 2327****S-5417**

1 Amend Senate File 2327 as follows:  
2 1. Page 1, line 35, by striking the word "seven"  
3 and inserting the following: "thirteen".  
4 2. Page 2, by striking lines 1 and 2 and  
5 inserting the following: "amount of wagering revenue  
6 that exceeds the amount wagered on live horse races  
7 held at the racetrack enclosure during the 2002 racing  
8 season. Any annual".

By DENNIS H. BLACK

**S-5417** FILED APRIL 9, 2002**SENATE FILE 2327****S-5418**

1 Amend Senate File 2327 as follows:  
2 1. Page 4, line 22 by striking the word "thirty-  
3 six" and inserting the following: "~~thirty-six~~  
4 thirty".

By DENNIS H. BLACK

**S-5418** FILED APRIL 9, 2002**SENATE FILE 2327****S-5419**

1 Amend Senate File 2327 as follows:  
2 1. Page 2, line 8, by inserting after the word  
3 "paragraph." the following: "An elected or appointed  
4 city or county officer or employee shall not serve on  
5 the board of directors of a qualified sponsoring  
6 organization that holds a license to conduct gambling  
7 games at a horse racetrack enclosure."

By DENNIS BLACK

**S-5419** FILED APRIL 9, 2002

**SENATE FILE 2327****S-5420**

1 Amend Senate File 2327 as follows:

2 1. Page 1, by inserting before line 1 the  
3 following:

4 "Section 1. Section 99D.14, subsection 2,  
5 unnumbered paragraph 1, Code 2001, is amended to read  
6 as follows:

7 A licensee shall also pay to the commission the sum  
8 of fifty cents for each person entering the grounds or  
9 enclosure of the licensee upon a ticket of admission.  
10 However, the admission fee imposed in this subsection  
11 shall not apply to a licensee of a horse racetrack  
12 enclosure.

13 Sec. \_\_\_\_ . Section 99F.4A, subsection 4, Code 2001,  
14 is amended to read as follows:

15 4. The fee imposed in section 99D.14, subsection  
16 2, shall be collected for admission to a racetrack  
17 enclosure where gambling games are licensed to operate  
18 in lieu of the admission fee imposed in section  
19 99F.10. However, the admission fee imposed in section  
20 99F.10 shall not apply to a licensee of a horse  
21 racetrack enclosure."

22 2. By renumbering as necessary.

**By DENNIS H. BLACK**

**S-5420 FILED APRIL 9, 2002**

SENATE FILE 2327

S-5431

- 1 Amend Senate File 2327 as follows:  
2 1. Page 1, by striking lines 16 through 22 and  
3 inserting the following: "paragraph "b". However, ~~if~~  
4 a licensee who is also licensed to conduct pari-mutuel  
5 wagering at a horse racetrack ~~has unpaid debt from the~~  
6 ~~pari-mutuel racetrack operations,~~ shall pay an annual  
7 sum of twenty million dollars to Polk county from the  
8 first receipts of the gambling games operated within  
9 the racetrack enclosure less reasonable operating  
10 expenses, taxes, and fees allowed under this chapter  
11 ~~shall be first used to pay the annual indebtedness.~~  
12 The commission shall authorize, subject".  
13 2. By striking page 1, line 29 through page 2,  
14 line 8 and inserting the following: "licensee and  
15 representatives of the dog or horse owners. The  
16 agreement to use receipts from gambling games for  
17 purses and supplements for thoroughbred, quarter horse  
18 and standard bred horse races shall include an annual  
19 subsidy of not less than fifteen million dollars. A  
20 qualified sponsoring organization shall".  
21 3. By striking page 2, line 16 through page 4,  
22 line 30.  
23 4. Page 4, by striking lines 32 through 34 and  
24 inserting the following: "immediate importance, takes  
25 effect upon enactment."  
26 5. Title page, by striking lines 2 through 4 and  
27 inserting the following: "purses and supplements for  
28 pari-mutuel horse racing and for other payments, and".  
29 6. By renumbering as necessary.

By JOHN P. KIBBIE

S-5431 FILED APRIL 9, 2002

SENATE FILE 2327

S-5488

- 1 Amend Senate File 2327 as follows:  
2 1. By striking page 1, line 1 through  
3 line 8.  
4 2. Title page, by striking lines 1 t  
5 inserting the following: "An Act impos:  
6 3. By renumbering as necessary.

By MIKE CONN

S-5488 FILED APRIL 11, 2002