



# Division of Criminal Investigation

**FY 2023**

**Report regarding**

**Activities of the Division**

**Iowa Code 99D.14(2)e and 99F.10(4)f**

Prepared by

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## **Report filed with the Joint Appropriations Subcommittee on the Justice System:**

- **Secretary of the Senate W. Charles Smithson**
  - **Senator Julian B. Garrett, Chair**
  - **Senator Todd E. Taylor, Ranking Member**
  
- **Chief Clerk of the House Meghan Nelson**
  - **Representative Brian K. Lohse, Chair**
  - **Representative Eric J. Gjerde, Ranking Member**

As required in Iowa Code sections 99D.14(2)e and 99F.10(4)f, the Department of Public Safety, Division of Criminal Investigation (DCI) is filing this report with the co-chairpersons and ranking members of the joint appropriations subcommittee on the justice system and concurrently with the legislative services agency. The report is intended to outline the activities of the Division during the previous fiscal year for each racetrack enclosure, excursion gambling boat and gambling structure.

During the three-year Gaming Reorganization that began in FY2014, the DCI staffing levels were adjusted by eliminating all but two Special Agent 1 positions. Prior to the reorganization process, each of the Riverboat Gaming facilities were authorized two Special Agent 2 positions and either four or five Special Agent 1 positions; depending upon the patron capacity of the facility. In addition, each of the track facilities were authorized three Special Agent 2 positions and no Special Agent 1 positions. At the conclusion of reorganization in FY2017, all licensed facilities were authorized three Special Agent 2 positions with a total of two remaining Special Agent 1's who were authorized to remain until they retire or otherwise leave the position they occupied at the end of the reorganization process. During FY2019, one of the remaining Special Agent 1 positions was eliminated through retirement.

As a result of the changes in authorized staff, the DCI made significant changes to the priorities of the Agents. The remaining three Special Agents at each facility work primarily day hours and spend less time on front line law enforcement responsibilities such as responding to minor incidents and offenses. Instead, the Special Agents are focusing their time on the background work related to the companies and individuals licensed to operate in the casino industry in Iowa, violations of chapters 99D and 99F and financial crimes with a nexus to a gaming facility such as theft, fraud, or money laundering.

During the 88<sup>th</sup> General Assembly, the Legislature passed SF 617, which Governor Reynolds signed into law on May 13, 2019. SF 617 expanded the scope of regulated gambling activities in Iowa by allowing sports wagering connected to Iowa casinos and fantasy sports contests by licensed entities. The addition of sports wagering to the Iowa market has proven popular for the Iowa gambling industry as evidenced by the increased number of sports wagering operators connected to Iowa licensed casinos. Throughout FY2021 and FY2022, DCI Special Agents continued work on numerous background investigations related to sports wagering companies seeking licensure in Iowa.

The introduction and rapid growth of the Sports Wagering Industry has created challenges for the DCI to identify and investigate violations of Iowa law related to the industry. In October 2021, the DCI created a dedicated Sports Wagering Team consisting of five Special Agents and one Special Agent in Charge in an effort to address these challenges.

During the 89<sup>th</sup> General Assembly HF861 was passed and signed into law by Governor Reynolds on June 8, 2021. HF861 implemented a change in the funding utilized to support the gambling enforcement mission of the DCI using State General Fund dollars for seven Special Agent positions with a correlating

reduction in the regulatory fees collected from Iowa casinos. This change provides financial relief each fiscal year to the seven casinos with the lowest revenue in the previous fiscal year.

All sports wagering companies licensed to operate in Iowa are required to report suspicious wagering activity occurring on their betting platforms. During FY2023, the DCI initiated investigations stemming from sports wagering operator reports as well as independently initiated investigations totaling 204 cases related to sports wagering or other forms of internet gambling activity. The significant increase in investigations from FY2022 is primarily due to increased reporting by the sports wagering operators.

In compiling the statistics for this report, the DCI analyzed logged activities of the Special Agents assigned to each of the nineteen licensed facilities operating in Iowa. Those results were condensed into eleven categories with the following statewide total numbers for the fiscal year 2023:

- **423 Fraud/Theft Investigations**
  - Includes forgery, theft, falsifying an IRGC license application, unlawful use of a driver license, counterfeit currency or chips and other fraudulent acts.
- **10 Money Laundering Investigations**
- **123 Narcotics Investigations**
  - Includes both felony and misdemeanor narcotics related investigations
- **13 Cheating Investigations**
  - Includes both felony and misdemeanor cheating investigations
- **29 Under 21 in Casino**
  - Includes investigations and charges for entering or attempting to enter a casino under the age of 21
- **2,899 Background Investigations**
  - Includes Class A (key personnel), Class D (corporate), Class C, Class O, Lottery backgrounds and personnel backgrounds for the DCI.
- **4,034 Surveillance Approvals**
  - Includes verification of individual camera coverage and overall system functionality in addition to a full system audit conducted annually at each location
- **3,210 Regulatory Inspections/Reviews**
  - Includes card inspections, dice inspections, roulette inspections, pit stand inspections, table cover inspections, soft drop observations, soft count observations, jockey run inspections, starting gate and box inspections and barn/kennel inspections.
- **3,530 Other Incidents**
  - Includes all other criminal investigations, arrests and calls for service or assistance.
- **439 SAR Reports\***
  - Includes a Special Agent review of Casino Suspicious Activity Reports in relation to Title 31 Bank Secrecy Act compliance
- **3,690 CTR Reports\***
  - Includes a Special Agent review of Casino Currency Transaction Reports in relation to Title 31 Bank Secrecy Act compliance

\*Due to the confidentiality of BSA filings, a facility level statistic is not included

\*\*In January 2023, the DCI transitioned to a new activity reporting platform resulting in changes to the available data. The reported statistics for FY2023 are notably inconsistent with previous years as a result of these changes.



**Iowa Department of Public Safety  
Division of Criminal Investigation  
Special Enforcement Operations Bureau  
Activity Report  
July 1, 2022 – June 30, 2023**



CASINO	Fraud/Theft Investigations	Money Laundering	Backgrounds	Surveillance Approvals	Regulatory Inspections/ Reviews	Narcotics Investigations	Cheating	Under 21 in Casino	Other Incidents
<b>HARD ROCK</b> Sioux City	20	2	165	118	67	24	0	13	347
<b>GRAND FALLS</b> Larchwood	17	0	174	48	349	9	3	4	194
<b>WILD ROSE</b> Emmetsburg	2	0	69	679	16	0	0	1	78
<b>WILD ROSE</b> Jefferson	16	0	42	66	91	3		1	69
<b>HARRAH'S</b> Co. Bluffs	33	0	145	160	102	4	0	0	168
<b>AMERISTAR</b> Co. Bluffs	76	0	225	365	230	0	0	3	257
<b>HORSESHOE</b> Co. Bluffs	67	2	272	192	265	1	1	1	259
<b>LAKESIDE</b> Osceola	4	0	115	156	10	0	0	0	88
<b>PRAIRIE MEADOWS</b> Altoona	26	0	480	299	123	3	1	0	169
<b>DIAMOND JO WORTH</b> Northwood	10	1	140	159	84	19	3	3	119
<b>Q CASINO</b> Dubuque	8	0	84	120	93	0	0	0	49
<b>CASINO QUEEN</b> Marquette	3	0	131	210	27	1	0	0	151
<b>DIAMOND JO</b> Dubuque	11	0	105	167	47	0	0	0	284
<b>WILD ROSE</b> Clinton	4	0	54	95	78	9	0	1	105
<b>RHYTHM CITY</b> Davenport	38	1	175	213	289	30	0	0	258
<b>ISLE OF CAPRI</b> Bettendorf	26	1	102	224	786	13	1	0	307
<b>RIVERSIDE</b> Riverside	36	0	171	213	291	5	0	1	227
<b>CATFISH BEND</b> Burlington	12	0	48	30	224	1	4	0	145
<b>ISLE OF CAPRI</b> Waterloo	14	3	202	520	38	1	0	1	256
<b>TOTALS</b>	<b>423</b>	<b>10</b>	<b>2,899</b>	<b>4,034</b>	<b>3,210</b>	<b>123</b>	<b>13</b>	<b>29</b>	<b>3,530</b>

At the conclusion of FY2020, the DCI filed a comprehensive report detailing a review of the number of special agents permitted for each facility and the activities of such agents as required in Iowa Code sections 99D.14(2)f and 99F.10(4)g. This report is available on the State of Iowa legislative website at the following link:

[DCI 2020 Report](#)