RA 26-203

RACING AND GAMING COMMISSION[491]

Regulatory Analysis

Notice of Intended Action to be published: 491—Chapter 1
"Organization and Operation"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 22.11, 99D.6 through 99D.9, 99E.3 to 99E.5, 99F.4, 99F.4B, 99F.5, 99F.6 through 99F.7A, and 99F.17

State or federal law(s) implemented by the rulemaking: Iowa Code section 22.11 and chapters 99D, 99E, and 99F

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

August 25, 2026 9 a.m.	6200 Park Avenue, Suite 100 Des Moines, Iowa
August 25, 2026 2 p.m.	6200 Park Avenue, Suite 100 Des Moines, Iowa

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis, which must be received by the Iowa Racing and Gaming Commission (Commission) no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Barb Blake
Iowa Racing and Gaming Commission
6200 Park Avenue, Suite 100
Des Moines, Iowa 50321
Email: barb.blake@iowa.gov

Purpose and Summary

In accordance with Executive Order 10, the Commission is reviewing all its rules prior to the agency review date of December 31, 2026. The Commission administers and enforces Iowa Code chapters 99D, 99E, and 99F, which authorize certain forms of gambling in Iowa. In addition, the Commission is an agency subject to Iowa Code section 22.11.

Chapter 1 of the Commission's rules contains general organizational and informational rules about the Commission's structure, staffing, and meetings. The chapter also contains license criteria for prospective applicants seeking a license for a racetrack or gambling structure and for existing licensees seeking license renewal.

The proposed rulemaking consolidates or eliminates some rules in accordance with both Executive Order 10 and recent legislation (2026 Iowa Acts, Senate File 2463). In addition, the proposed rulemaking contains language about personally identifiable information stored or maintained by the Commission. Iowa Code section 22.11 requires rules on this subject, the content of which is currently in 491—Chapter 3. However, Senate File 2463 rescinded most of 491—Chapter 3 (excluding the personally identifiable information rule) as of July 1, 2026. The Commission concludes it is not necessary to maintain a standalone 491—Chapter 3 solely for the personally identifiable information rule and therefore proposes to move this content to Chapter 1.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

The costs of compliance will be borne by licensees or prospective licensees. These classes of persons are already bearing the costs of compliance with Chapter 1.

- **Classes of persons that will benefit from the proposed rulemaking:**

The proposed rulemaking will generally benefit the public with streamlined rules and explanations about the Commission's organization, staffing, meetings, and license criteria.

2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

- **Quantitative description of impact:**

There is no anticipated change in quantitative impact from the current version of Chapter 1, which predominantly impacts licensees or prospective licensees.

- **Qualitative description of impact:**

The proposed rulemaking streamlines Chapter 1 by eliminating provisions that are either in conflict with statute or were legislatively rescinded under 2026 Iowa Acts, Senate File 2463.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

The proposed rulemaking is not anticipated to increase implementation and enforcement costs for the Commission.

- **Anticipated effect on State revenues:**

The proposed rulemaking is not anticipated to affect State revenues.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

The proposed rulemaking is required under Executive Order 10.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

Not applicable.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

Not applicable.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

Not applicable.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

The proposed rules are not anticipated to have a substantial impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 491—Chapter 1 and adopt the following **new** chapter in lieu thereof:

CHAPTER 1
ORGANIZATION AND OPERATION

491—1.1(99D,99E,99F) Function. The racing and gaming commission was created by Iowa Code chapter 99D. The commission supervises and has full jurisdiction over all race meetings, gambling operations, sports wagering, and internet fantasy sports contests governed by Iowa Code chapters 99D, 99E, and 99F.

491—1.2(99D,99E,99F) Organization, meetings, and procedure.

1.2(1) *Organization.*

a. The racing and gaming commission is located at 6200 Park Avenue, Suite 100, Des Moines, Iowa 50321; telephone 515.281.7352. Office hours are 8 a.m. to 4:30 p.m., Monday through Friday.

b. The commission meets and elects officers, including a chairperson, as set forth in Iowa Code sections 99D.5(1) and 99D.6(1). A chairperson cannot serve more than four consecutive one-year full terms.

c. The commission will appoint an administrator who is responsible for the day-to-day administration of the commission's activities.

1.2(2) *Meetings, notice, and submission of agenda items.*

a. Notice of a meeting is published on the commission's website at irgc.iowa.gov consistent with Iowa Code chapter 21.

b. Persons wishing to appear before the commission should submit a written request to the commission office at least ten business days before the upcoming meeting. The administrator or commission may place a time limit on presentations or remarks.

c. The commission may utilize a consent agenda to act upon multiple agenda items at once. Placement on a consent agenda is at the administrator's discretion. An item may be removed from the consent agenda at any commissioner's request. To be considered for placement on a consent agenda, a request, including supporting materials, must be submitted to the commission office at least 15 business days before the upcoming meeting.

1.2(3) *Procedure.* All meetings are open to the public unless a closed session is voted in accordance with Iowa Code section 21.5. The operation of commission meetings is governed by the following rules of procedure:

a. When a quorum is present, a position is carried by an affirmative vote of the majority of the entire membership of the commission.

b. A commissioner, who is present at a meeting of the commission when action is taken, is presumed to have assented to the action unless the commissioner's dissent was requested to be entered in the minutes. A roll-call vote on any motion may be recorded in the minutes. Reconsideration of any action may only be initiated by a commissioner who voted with the prevailing side. The motion to reconsider any action may be made and seconded before the conclusion of the meeting when the action was approved, or it may be made in writing and submitted to the commission office within two business days following the meeting. Only the mover has the option to request that the motion be held in abeyance, when the motion to reconsider is offered during the same meeting. Any commissioner is eligible to call up the motion to reconsider at the next meeting of the commission. The official minutes record the offering of any motion to reconsider, whether placed during the meeting or by timely written submission.

c. The presiding officer may exclude any person from the meeting for behavior that disrupts or obstructs the meeting.

491—1.3(99D,99E,99F) Forms. All forms utilized in the conduct of business with the racing and gaming commission are available from the commission upon request. These forms include but are not limited to:

1.3(1) Racing, gambling structure, or excursion gambling boat license application. This form contains at a minimum the full name of the applicant, all ownership interests, balance sheets and profit-and-loss statements for three fiscal years immediately preceding the application; pending legal action, location and infrastructure of the facility; and description of proposed operation. The form may include other information the commission deems necessary to make a decision on the license application. The applicant or applicants also pay or remit the following fees:

a. An initial application fee in the amount of $250,000 to the commission to cover the commission's actual expenses incurred in processing and evaluating the application. Actual expenses may include but are not limited to the cost of appropriate meeting space, facilities, and equipment; transportation, lodging, meals, and other travel-related expenses; and any market feasibility studies conducted by the commission or consultants the commission retains. The commission will bill the applicant or licensee for additional expenses beyond the initial application fee as appropriate and will refund any unused portion of the fee within 90 days after the license is denied or within 90 days after operation begins.

b. An investigative fee of $50,000 to the department of public safety to complete background investigations. The department of public safety bills the applicant/licensee for additional fees as appropriate and will refund any unused portion of the investigative fee within 90 days after the license is denied or within 90 days after operation begins.

1.3(2) Renewal application for racing license. This form contains at a minimum the full name of the applicant, racing dates, simulcast proposal, feasibility of racing facility, distribution to qualified sponsoring organizations, table of organization, management agreement, articles of incorporation and bylaws, lease agreements, financial statements, information on the gambling treatment program, and description of racetrack operations including but not limited to a security plan. The form may include other information the commission deems necessary to make a decision on the license application.

1.3(3) Renewal application for excursion gambling boat or gambling structure license and qualified sponsoring organization license. This form contains at a minimum the full name of the applicants, annual fee, distribution to qualified sponsoring organizations, table of organization, operating agreement, hours of operation, casino operations including but not limited to a security plan, Iowa resources, contracts, guarantee bond, notarized certification of truthfulness, and gambling treatment program. The form may include other information the commission deems necessary to make a decision on the license application. The calculation for the annual fee is set forth in Iowa Code section 99F.5(2).

1.3(4) Renewal application for racetrack enclosure license. This form contains at a minimum the full name of the applicant, annual fee, casino operations including but not limited to a security plan, Iowa resources, guarantee bond, and notarized certification of truthfulness. The form may include other information the commission deems necessary to make a decision on the license application. A $1,000 application fee is submitted with the application.

1.3(5) Occupational license application. This form contains at a minimum the applicant's full name, social security number, residence, and date of birth and other personal identifying information that the commission deems necessary. A fee set by the commission applies to this application. (491—Chapter 6 contains additional information.)

1.3(6) Season approvals. This form contains at a minimum a listing of the department heads and racing officials, minimum purse, purse supplements for Iowa-breds, schedule and wagering format, equipment, certification, and any other information the commission deems necessary for approval. This request is due 45 days before the meet. Any changes to the items approved by the

commission must be requested in writing by the licensee and are subject to the written approval of the administrator or designee before the change occurs.

1.3(7) Manufacturers and distributors license application. This form contains at a minimum the full name of the applicant, all ownership interests, balance sheets and profit-and-loss statements for three fiscal years immediately preceding the application, pending legal actions, location of the applicant, and description of proposed operation. The form may include other information the administrator deems necessary to make a decision on the license application. The applicable license fees are set forth in Iowa Code section 99F.17(1). (491—Chapter 11 contains additional information.)

1.3(8) Advance deposit wagering license application. This form contains at a minimum the full name of the applicant, all ownership interests, balance sheets and profit-and-loss statements for three fiscal years immediately preceding the application, pending legal actions, location of the applicant, simulcast agreements involving Iowa entities, and description of proposed operation. The form may include other information the administrator deems necessary to make a decision on the license application. The license fee for this application is $1,000. (491—Chapter 8 contains additional information.)

1.3(9) Asset/stock purchase form for commission approval. This form contains at a minimum the full name of the applicant, all ownership interests, balance sheets and profit-and-loss statements for three fiscal years immediately preceding the application, pending legal actions, location of the applicant, and description of proposed operation. The form may include other information the administrator deems necessary to make a decision.

1.3(10) Sports wagering for excursion gambling boat, gambling structure or racetrack enclosure application. This form contains at a minimum the full name of the applicant, disclosure of agreements involving sports wagering, a guarantee bond in an amount as determined by the commission, and a notarized certification of truthfulness. The applicant pays a nonrefundable application fee to the commission under Iowa Code section 99F.7A(1).

1.3(11) Renewal application for sports wagering for excursion gambling boat, gambling structure or racetrack enclosure. This form includes at a minimum the full name of the applicant, annual renewal fee set forth in Iowa Code section 99F.7A(1), disclosure of agreements involving sports wagering, sports wagering operations, a guarantee bond in an amount as determined by the commission, a gambling treatment program, and a notarized certification of truthfulness. The form may include other information the commission deems necessary to make a decision on the license application.

1.3(12) Advance deposit sports wagering operator application. This form includes at a minimum the full name of the applicant, all ownership interests, balance sheets and profit-and-loss statements for three fiscal years immediately preceding the application, pending legal actions, agreement with licensed facility or description of proposed operation, a gambling treatment program, and a notarized certification of truthfulness. The form may include other information the commission deems necessary to make a decision on the license application.

1.3(13) Internet fantasy sports contest application. This form includes at a minimum the full name of the applicant, board members, all ownership interests, balance sheets and profit-and-loss statements for the fiscal year immediately preceding the application, pending legal actions, proof of satisfactory segregation of internet fantasy sports contest player contest funds as determined by the commission, a description of the proposed operation, and a notarized certification of truthfulness. The form may include other information the commission deems necessary to make a decision on the license application.

1.3(14) Alternative simulcast license application. This form includes at a minimum the full name of the applicant, all ownership interests, balance sheets and profit-and-loss statements for three fiscal years immediately preceding the application, pending legal actions, agreement with licensed facility or description of proposed operation, and a notarized certification of truthfulness. The form may include other information the commission deems necessary to make a decision on the license application.

491—1.4 Reserved.

491—1.5(99D,99F) Criteria for granting licenses, renewing licenses, and determining race dates. The commission will consider numerous criteria when deciding whether to issue a license to conduct racing, gaming, or sports wagering in Iowa. The various criteria cannot have the same importance in each instance, and other factors may become apparent during the consideration of a specific application for a license. The criteria are not listed in order of priority. After the initial consideration for issuing a license, applicable criteria need only be considered when an applicant has demonstrated a deficiency.

1.5(1) *Compliance.* The commission will consider whether the applicant is and has been in compliance with the terms and conditions specified in Iowa Code chapter 99D or 99F. The commission will also consider whether the applicant or licensee complies with applicable state and local laws regarding fire, health, construction, zoning, and other similar matters.

1.5(2) *Gaming integrity.* The commission will consider whether the operation would ensure that gaming and sports wagering are conducted with a high degree of integrity in Iowa and that the officers, directors, partners, or shareholders of the operation are of good repute and moral character. The commission decides what weight and effect evidence about an officer, director, partner, or shareholder should have in determining whether there is substantial evidence that the individual is not of good reputation and character. For this chapter's purposes, "directors" includes managers of limited liability companies and "shareholders" includes members of limited liability companies.

1.5(3) *Economic impact and development.* The commission will consider:

a. The amount of revenue to be provided by the applicant or licensee to the state and local communities through direct taxation on the operation and through indirect revenues from tourism, ancillary businesses, creation of new industry, and taxes on employees and patrons. The commission may engage an independent firm proficient in market feasibility studies in the industry for specific analysis of any application to determine the potential market of any proposed facility as well as the impact on existing licensees.

b. The level of financial and other support the operation will provide to the community in order to improve the quality of life of the residents of the community.

c. The viability and overall net benefit of the operation to the state gaming industry, taking into consideration:

(1) Investment versus projected adjusted gross revenue.

(2) Impact on existing operators' adjusted gross revenue versus existing operators' ratio of adjusted gross revenue to investment.

(3) Ratio of equity to total investment and whether the proposed project or ongoing operation is adequately and properly financed.

(4) Percentage of projected adjusted gross revenue from underserved markets.

(5) Percentage of projected adjusted gross revenue from existing Iowa operators.

(6) Stability and reliability of out-of-state market(s).

d. The benefits to Iowa tourism.

e. The number and quality of employment opportunities for Iowans.

f. The development and sale of Iowa products.

g. The number and types of developments and amenities associated with the proposed operation in addition to the gaming floor.

1.5(4) *Efficient and safe operation.* The commission will consider whether the applicant or licensee plans to conduct business, or conducts business, in a manner that promotes efficient and safe operation of all aspects of the facility, including but not limited to:

a. Providing adequate security for employees and patrons.

b. Providing adequate employment and staffing to serve patrons' needs.

c. Facility scope and design.

d. Parking facilities.

e. Access to cashier windows.

f. Concessions and amenities.

g. Restrooms.

1.5(5) *Community support.* The commission will consider support for the proposed project within the community in which a facility is, or is to be, located.

1.5(6) *Nurture of the racing industry.* The commission will consider whether the proposed racetrack operation would serve to nurture, promote, develop, and improve the racing industry in Iowa and provide high-quality racing in Iowa. The commission will also consider whether the proposed racetrack operation will maximize purses and be beneficial to Iowa breeders.

1.5(7) *Other factors.* The commission will consider such other factors as may arise in the circumstances presented by a particular application.

491—1.6(17A,22) Personally identifiable information. The commission maintains systems of records that contain personally identifiable information.

1.6(1) *Board of stewards or gaming board hearings and contested case records.* Records are maintained in paper and electronic files and contain names and identifying numbers of people involved. Evidence and documents submitted as a result of a hearing are contained in the board of stewards or gaming board hearing or contested case records as well as summary lists of enforcement activities. Records are collected by authority of Iowa Code chapters 99D, 99E and 99F. None of the information stored in a data processing system is compared with information in any other data processing system.

1.6(2) *Occupational licensing.* Records associated with occupational licensing conducted under Iowa Code chapters 99D, 99E and 99F are maintained. The licensing system of records includes numerous files and crossfiles that include but are not limited to electronic storage of licensing records and photos, fingerprint cards, and license applications. The records associated with occupational licenses, which contain personally identifiable information, are open for public inspection only upon the approval of the administrator or the administrator's designee. The information stored in a data processing system is not compared with information in any other data processing system.

1.6(3) *List of contested cases and stewards' hearings.* The commission may utilize a listing of contested case and stewards' hearings furnished by a national organization and provide individually identifiable information to that organization. The list is used for purposes delineated in Iowa Code chapter 99D.

These rules are intended to implement Iowa Code section 22.11 and chapters 99D and 99F.