RA 26-207

RACING AND GAMING COMMISSION[491]

Regulatory Analysis

Notice of Intended Action to be published: 491—Chapter 6
"Occupational and Vendor Licensing"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 99D.2, 99D.7, 99D.8A, 99E.3, 99E.4, 99F.1, 99F.4, 99F.4B, 99F.6, 99F.17, and 99F.17A

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

Public Hearing

A public hearing 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.

Chapter 6 of the Commission's rules establishes licensing standards, requirements, and procedures for all types of occupational and vendor licenses the Commission issues. This proposed rulemaking eliminates outdated or obsolete language; reduces or eliminates language that merely duplicates a statute; and reorganizes and renumbers the remaining parts of the chapter. The proposed rulemaking also adds a new provision requiring practicing veterinarians working on the premises of racetrack facilities to maintain a current and unrestricted Controlled Substances Act registration issued by the Board of Pharmacy in addition to a license to practice veterinary science.

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 license applicants. These classes of persons are already bearing the costs of compliance with Chapter 6. No change in that allocation of costs is anticipated.

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

Licensees and applicants will also see some conceivable benefit from the revisions. For example, the proposed rulemaking streamlines what must be submitted with a license application (proposed paragraph 6.2(1)“c”) and raises the threshold for a disqualifying theft or fraudulent practice conviction from a value of $500 to a value of $750 (proposed subparagraph 6.5(1)“c”(2)).

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:**

It is possible that more applicants will be eligible for licensure under the proposed rulemaking’s raised disqualification threshold for a theft or fraudulent practice conviction.

- **Qualitative description of impact:**

The proposed rulemaking’s deletion of language relating only to greyhound racing and harness racing will eliminate any uncertainty about whether those activities are ongoing in Iowa under the Commission’s direct supervision. The Commission receives information related to Iowa harness racing each year but does not oversee each individual race in the same manner as thoroughbred and quarter horse racing.

In addition, the proposed rulemaking provides greater clarity about an applicant’s license status if the applicant faces pending criminal charges but a commission representative determines the applicant does not pose an immediate danger to public health, safety, or welfare while the charges are pending.

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 rulemaking is not anticipated to have a substantial impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 491—Chapter 6 and adopt the following **new** chapter in lieu thereof:

CHAPTER 6
OCCUPATIONAL AND VENDOR LICENSING

491—6.1(99D,99E,99F) Definitions. As used in this chapter, unless the context otherwise requires, the following definitions apply:

"Administrator" means the administrator of the commission appointed under Iowa Code section 99D.6(2) or the administrator's designee.

"Beneficial interest" means any and all direct and indirect forms of ownership or control, voting power, or investment power held through any contract, lien, lease, partnership, stockholding, syndication, joint venture, understanding, relationship (including family relationship), present or reversionary right, title or interest, or otherwise.

"Board" means either the board of stewards or the gaming board, as appointed by the administrator, whichever is appropriate. The administrator may serve as a board of one.

"Commission representative" means a gaming representative, steward, or any person designated by the commission or administrator.

"Complete criminal record" means the complaint and judgment of conviction for each offense of which the applicant has been convicted, regardless of whether the offense is categorized as a felony or a misdemeanor and regardless of the jurisdiction in which the offense occurred.

"Conviction" means the act or process of judicially finding someone guilty of a crime; the state of a person's having been proved guilty; or the judgment that a person is guilty of a crime or criminal offense, which includes a guilty plea entered in conjunction with a deferred prosecution or deferred judgment and a juvenile who has been adjudicated delinquent. The date of conviction is the date the sentence and judgment is entered.

"Deceptive practice" means any deception or misrepresentation made by the person with the knowledge that the deception or misrepresentation could result in some benefit to the person or some other person.

"Facility" means an entity licensed by the commission to operate pari-mutuel wagering, gambling games, or retail sports wagering in Iowa.

"Jockey" means a person licensed to ride a horse in a race.

"Licensee" means a person licensed by the commission to perform an occupation that the commission has identified as requiring a license for a person to work in the pari-mutuel, gambling structure, excursion gambling boat, sports wagering or internet fantasy sports contest industry in Iowa.

"Occupation" means a license category listed on the commission's occupational license application form.

"Owner" means a person or entity that holds any title, right or interest, whole or partial, in a racing animal.

"Stable name" means any type of name other than the legal name(s) used by an owner or lessee and registered with the commission.

"Theft" includes but is not limited to:

1. The act of taking possession or control of either facility property or the property of another without the express authorization of the owner;
2. The use, disposition, or destruction of property in a manner that is inconsistent with or contrary to the owner's rights in such property;
3. Misappropriation or misuse of property the person holds in trust for another; or

4. Any act that constitutes theft as defined by Iowa Code chapter 714. No specific intent requirement is imposed by rule 491—6.5(99D,99E,99F), nor is it required that there be any showing that the licensee received personal gain from any act of theft.

"Year" means a calendar year.

491—6.2(99D,99E,99F,252J) Occupational licensing.

6.2(1) Licensee staff engaged in administration, control, conduct of gambling games, racing and sports wagering, and fantasy sports contest board members, with the exception of certified law enforcement officers while they are working for the facility as uniformed officers, must be properly licensed by the commission.

a. License applicants may be required to furnish to the commission a set of fingerprints and may be required to be refingerprinted or rephotographed periodically.

b. License applicants must supply current photograph identification (photo ID) and proof of their social security number and date of birth.

c. License applicants must complete and sign the application form prescribed and published by the commission. An incomplete application will not be processed. The applicant must disclose or provide:

(1) The applicant's complete criminal record.

(2) Military convictions if not otherwise included within the applicant's complete criminal record.

(3) Any overdue income taxes, fines, court-ordered legal obligations, or judgments.

(4) Information required by Iowa Code section 99D.8A(1), 99E.4(1), or 99F.6(1), as applicable, including whether the applicant has self-diagnosed or been diagnosed with any gambling disorder.

(5) If the applicant is not a United States citizen, documentation authorizing the applicant to work in the United States.

d. Portions of completed applications may be subject to public inspection under applicable open records laws.

e. License applicants for designated positions may be required to complete a division of criminal investigation (DCI) background form.

f. Once a license is issued, the fee cannot be refunded. All fees for applications or license renewals, including any applicable fees or costs associated with the search and classification of fingerprints, must be paid by an applicant or licensee before a license will be issued or renewed, or, if the applicant is an employee of a facility, the commission fees will be directly billed to the facility.

g. Participation in racing and gaming, sports wagering, and internet fantasy sports contests in the state of Iowa is a privilege and not a right. The burden of proving qualifications to be issued any license is on the applicant at all times. An applicant must accept any risk of adverse public notice, embarrassment, criticism, or other action, as well as any financial loss that may result from action with respect to an application.

h. All licenses are conditional until completion of an initial background investigation including but not limited to fingerprint processing through the DCI and the FBI and review of records on file with national organizations, courts, law enforcement agencies, and the commission.

i. Any licensee who allows another person use of the licensee's license badge for the purpose of transferring any of the benefits conferred by the license may be subject to administrative action. Licenses are not transferable.

j. It is each applicant and licensee's affirmative responsibility and continuing duty to provide all information, documentation, and assurances pertaining to qualifications required or requested by the commission or commission representatives and to cooperate with commission representatives in the performance of their duties. Refusal to comply with a request for information from a commission representative is a basis for administrative action or disqualification.

k. A license will not be issued to applicants who have not previously been licensed in the following occupations, except upon recommendation by the commission representative: trainers,

assistant trainers, jockeys, apprentice jockeys, exercise persons, and other occupations the commission may designate. The commission representative may, for the purpose of determining a recommendation under this subrule, consult a representative of the facility, horsemen, or jockeys.

6.2(2) All facility qualified sponsoring organization board members and internet fantasy sports contest service provider board members must undergo a background investigation and become licensed immediately upon appointment. For the purposes of this chapter, "board members" includes managers of limited liability companies.

6.2(3) Multiple license restrictions.

a. A person may work outside the licensed occupation as long as the person is licensed in an equal or higher occupation.

b. In horse racing only, the following restrictions apply:

(1) A person licensed as a jockey or veterinarian cannot be licensed in another capacity.

(2) A person cannot be licensed both as an owner and as a jockey agent.

(3) No racing official may serve or act in another capacity at a race meeting at which that person is licensed as an official unless the commission representative determines in writing that there is no conflict of interest or duties.

6.2(4) Application endorsements. The responsibility of licensing an employee rests with the employer. Therefore, a license will not be issued to any employee unless the application includes prior endorsement of the facility's authorized representative. All facilities must submit a list of no more than six representatives who are authorized to provide endorsement. The authorization list must be sent to the commission licensing office associated with each facility.

6.2(5) An applicant who has not held a license for the previous calendar year is considered a first-time applicant.

6.2(6) Interim identification badge.

a. All interim identification badges issued by a facility must be recorded and available for inspection by commission or DCI representatives. The records must reflect the following information: date issued, user's name and date of birth (verified by photo ID), occupation, badge number, issuer, time issued, and time returned. Badges must only be issued on a daily basis and must be returned before the employee leaves facility premises. A badge is effective only until the commission licensing office's next day of business and cannot be used to avoid obtaining a duplicate license.

b. A badge will only be issued if:

(1) An employee is hired during a time that the commission licensing office is closed; or

(2) An employee is not in possession of the employee's occupational license.

491—6.3(99D,99E,99F) Waiver of privilege. An applicant may claim a privilege afforded by the Constitution of the United States or of the state of Iowa in refusing to answer questions of the commission. However, a claim of privilege with respect to any testimony or evidence pertaining to an application may constitute sufficient grounds for denial or other administrative action.

491—6.4(99D,99E,99F) License acceptance.

6.4(1) *Occupational license (license).* A licensee must display the front of the license in a conspicuous manner on the licensee's clothing at all times while the licensee is on duty unless otherwise permitted by the commission representative. A licensee must not deface, alter, or modify a license.

6.4(2) *Knowledge of rules.* By accepting a license from the commission, the licensee agrees to follow and comply with the rules of the commission and Iowa statutes pertaining to racing and gaming, to report immediately to the commission representative any known irregularities or wrongdoing involving racing, wagering, or gaming, and to cooperate in subsequent investigations. Commission rules are available on the commission's website at irgc.iowa.gov.

6.4(3) *Misuse of license.* No person shall exercise or attempt to exercise any of the powers, privileges, or prerogatives of a license unless and until the appropriate licensing form has been

executed and filed with the commission, except under subrule 6.2(6). The commission has the power to regulate the conduct of all persons holding licenses or participating in racing or gaming.

491—6.5(99D,99E,99F) Grounds for denial, suspension, or revocation of a license or issuance of a fine. The commission or commission representative will deny an applicant a license or, if a license is already issued, a licensee is subject to probation, fine, suspension, revocation, or other disciplinary measures, if the applicant or licensee:

6.5(1) Does not qualify under the following screening policy:

a. Applicants must be at least 18 years of age to work in areas where gaming or wagering is conducted.

b. Applicants must be at least 16 years of age to be eligible to be licensed to work for a trainer of racing animals.

c. A license will be denied if, within the last five years, an applicant has had:

(1) A felony conviction;

(2) A conviction for an offense involving theft or fraudulent practice in excess of $750;

(3) A conviction for an offense involving the use of an alias in connection with fraud; or

(4) A conviction for an offense involving ownership, operation, or an interest in any illegal gambling, bookmaking, or other illegal enterprise or if the applicant is or has been connected with or associated with any illegal enterprise.

If the conviction occurred more than five years before application, a license will not be issued unless the commission representative determines sufficient evidence of rehabilitation exists.

d. Unless sufficient evidence of rehabilitation exists, a license will be denied if any applicant has had:

(1) A conviction of a serious or aggravated misdemeanor or the equivalent; or

(2) Multiple convictions of simple misdemeanors.

e. A license will be denied or suspended until the outcome of any pending charges is known if conviction would disqualify the applicant and the commission representative determines that the applicant poses an immediate danger to the public health, safety, or welfare of the patrons, participants, or animals associated with a facility licensed under Iowa Code chapter 99D, 99E or 99F. If the commission representative determines the applicant does not pose an immediate danger to public health, safety, or welfare, a probationary license may be issued while the charges remain pending. If the pending charges result in a conviction that disqualifies the applicant, the license will be denied or revoked.

f. A license will be denied if the applicant has an addiction to alcohol or a controlled substance without sufficient evidence of rehabilitation, has a history of mental illness without demonstrating successful treatment by a licensed medical physician or physician associate, or has a history of repeated acts of violence without sufficient evidence of rehabilitation.

g. A license may be suspended or a probationary license may be issued until outstanding, overdue court-ordered obligations are satisfied. These obligations include but are not limited to criminal or civil fines, state or federal taxes, or conditions imposed upon the applicant by a court of law that the applicant has failed to meet in a timely manner.

h. A license may be denied if an applicant is ineligible to participate in gaming in another state and it would not be in the best interest of racing or gaming to license the applicant in Iowa. A license will be denied if an applicant is ineligible to participate in racing in another state whose regulatory agency is recognized by and reciprocates in the actions of this state.

i. A license will be denied and not reinstated if an applicant has been denied patron privileges by order of the commission.

j. A license will be denied if the applicant falsifies the application form and would be ineligible for licensure under one or more of the provisions set forth in paragraphs 6.5(1)*"a"* through *"i."* In other cases of falsification, a license may be issued and the applicant is subject to a suspension, fine, or both.

k. A license will be denied if an applicant is not of good repute or moral character. Any evidence concerning a licensee's current or past conduct, dealings, habits, or associations relevant to that individual's character or reputation may be considered. The commission representative will decide what weight and effect evidence shall have in the determination of whether there is substantial evidence that the individual is not of good reputation or character. Applicants who hold positions of higher responsibility may be held to a more stringent standard of conduct and reputation than others with a less significant interest or role.

l. A license will be denied if the applicant is a board member of an internet fantasy sports contest service provider and is under the age of 21.

6.5(2) Has not demonstrated financial responsibility or has failed to meet any monetary obligation in the following circumstances connected with racing, gaming, sports wagering, or an internet fantasy sports contest.

a. Issuance or passing of bad checks. No person shall write, issue, make, or present any check in payment for any license fee, nomination fee, entry fee, starting fee, or purse payment when that person knows or should reasonably know that the check will be refused for payment by the bank upon which it is written, that the account upon which it is written does not contain sufficient funds for payment of the check, or that the check is written on a closed or nonexistent account.

b. Judgments. Whenever any person licensed to engage in racing suffers a final judgment entered against that person in any court of competent jurisdiction within the United States, when that judgment is based wholly, or in part, upon an indebtedness incurred by that person for supplies, equipment, or services furnished in connection with racing, the commission representatives will schedule a hearing at which the licensee is invited to show cause as to why the license should not be suspended.

c. Timely payment. Should an owner fail to make timely payment of any jockey fee, nomination fee, entry fee, starting fee, or any other reasonable charge normally payable to the facility, the facility will notify the commission representatives who in turn will give notice to the owner that a hearing will be held where the owner will be invited to show cause why the license should not be suspended for failure to make the required payments.

6.5(3) Has been involved in any fraudulent or corrupt practices, including but not limited to:

a. Offering, promising, giving, accepting, or soliciting a bribe in any form, directly or indirectly, to or by a person licensed by the commission to violate these rules or the laws of the state related to racing, gaming, sports wagering or internet fantasy sports contests.

b. Failing to report any bribe or solicitation as in paragraph 6.5(3)*"a."*

c. Soliciting by any licensee, except the facility; licensed advance deposit sports wagering operator; or licensed internet fantasy sports contest service provider of bets by the public.

d. Violation of any law of the state or rule of the commission or aiding or abetting any person in the violation of any such law or rule.

e. Theft or deceptive practice of any nature on the premises of a facility or in the performance of duties associated with advance deposit sports wagering or internet fantasy sports contests.

f. Giving under oath any false statement or refusing to testify, after proper notice, to the commission representative about any matter regulated by the commission, except in the exercise of a lawful legal privilege.

g. Failing to comply with any request for information or any order or ruling issued by the commission representative pertaining to a racing, gaming, sports wagering or internet fantasy sports contest matter.

h. Disorderly or offensive conduct or use of profane, abusive, or insulting language to, or interference with, commission representatives or racing or gaming officials while they are discharging their duties.

i. Conduct in Iowa or elsewhere that has been dishonest, undesirable, or detrimental to, or reflects negatively on, the integrity or best interests of racing, gaming, sports wagering or internet fantasy sports contests.

j. Illegal sale, possession, receipt, or use of a controlled substance or drug paraphernalia; intoxication; use of profanity; fighting; making threatening or intimidating statements; engaging in threatening or intimidating behavior; or any conduct of a disorderly nature on facility premises.

k. Discontinuance of or ineligibility for activity for which the license was issued.

l. Possessing a firearm on facility property without written permission from the commission representative.

m. Improperly influencing or attempting to improperly influence the results of a race, a gambling game, a sporting event that is subject to sports wagering, or an internet fantasy sports contest, singularly or in combination with any person.

n. Failing to report any attempt to improperly influence the result of a race, a gambling game, a sporting event that is subject to sports wagering, or an internet fantasy sports contest as in paragraph 6.5(3)*"m."*

o. Having had two rulings related to attempts to affect a race result or odds (e.g., rulings for electrical devices, serious positives) in a lifetime or one ruling within the last three years. A license may be issued if one ruling has occurred outside of three years if sufficient evidence of rehabilitation exists. A license may be denied if a lengthy record of rulings from other jurisdictions exists.

p. Possessing any equipment for hypodermic injection, any substance for hypodermic administration, or any container designed to hold an injectable substance (narcotics, medications, drugs, or substances that could be used to alter the speed of racing animals) by anyone other than a veterinarian licensed by the commission.

(1) Notwithstanding the provisions of this subrule, any person may have possession within any restricted area:

1. Any chemical or biological substance for the person's own treatment, provided that, if the chemical substance is prohibited from being dispensed without a prescription by any federal law or law of this state, the person is in possession of documentary evidence that a valid prescription has been issued to the person.

2. Any hypodermic syringe or needle for the purpose of self-administering to the person a chemical or biological substance, provided that the person has notified the commission representatives of the possession of the device, the size of the device, and the chemical substance to be administered and has obtained written permission for possession and use from the commission representative.

(2) A restricted area is a designated area for sample collection, paddock, racetrack, or any other area where officials carry out the duties of their positions.

q. Subjecting an animal to cruel and inhumane treatment by failing to supply it with adequate food, water, medical treatment, exercise, bedding, sanitation, and shelter or by neglect or intentional act causing an animal to suffer unnecessary pain.

r. Offering or receiving money or other benefit for withdrawing a racing animal from a race.

s. Making a wager for a jockey by any person other than the owner or trainer of the horse ridden by the jockey.

t. Making a wager for a jockey on a horse by an owner or trainer other than that ridden by the jockey. This shall not be construed to include bets on another horse in combination with the horse ridden by the jockey in multiple wagering bets.

u. Offering or giving a jockey money or other benefit concerning a race, except by the owner or trainer of the horse to be ridden.

v. Entering or starting a racing animal known or believed to be ineligible or disqualified.

w. Possessing any device designed to increase or decrease the speed of a racing animal during a race other than an ordinary riding whip without written permission from the commission representative.

x. Communicating with or contacting a person who is voluntarily excluded pursuant to Iowa Code chapter 99D or 99F for gaming-, wagering-, or internet fantasy sports contest-related activities.

491—6.6(99D,99E,99F) Applications for license after denial, revocation, or suspension.

6.6(1) Any person whose license was denied or revoked may reapply for a license in accordance with the commission's rules governing applications. However, the applicant must satisfy the following conditions:

a. The applicant bears the burden of proof of establishing satisfaction with all license criteria and must provide proof of satisfaction of any terms or conditions imposed as a part of the commission's order denying or revoking the license;

b. The applicant must allege facts and circumstances establishing, to the commission's satisfaction, sufficient evidence of rehabilitation and that the basis for the denial or revocation no longer exists;

c. The applicant must establish that the public interest and the integrity of racing and gaming would not be adversely affected if a license is granted; and

d. If the license was revoked, a new application cannot be filed until five years have elapsed from the date of the order of revocation.

6.6(2) Any person whose license was suspended for 365 days or more may file a new application for a license upon the expiration of the period of suspension but must satisfy all of the conditions set forth in paragraphs 6.6(1)*"a," "b,"* and *"c."* If a person's license has not expired after the 365-day suspension, the person must have a hearing before a board to determine if the person has satisfied all of the conditions set forth in paragraphs 6.6(1)*"a," "b,"* and *"c"* prior to that individual's participating in racing or gaming.

491—6.7(99D,99E,99F) Probationary period placed on a license. The commission representative or the board may place a probationary period on a license. The terms of the probationary period should include the effective dates, conditions placed on the licensee and any penalty for failure to follow those conditions, including fine, suspension, denial, or revocation.

491—6.8(99D,99E,99F) Duration of license. A license issued by the commission is valid for three calendar years. The license expires at the end of the third calendar year unless an extension is granted by the administrator.

491—6.9(99D,99E,99F) Licensed employees moving from one location to another.

6.9(1) Once an applicant obtains an occupational license from the commission and is in good standing, the applicant is eligible to work at any of the facilities in the state of Iowa.

6.9(2) When a facility hires a person who is already in possession of a current occupational license, a list of the person(s) hired must be filed weekly with the local commission office before the person(s) begins working. The list should contain the license number, name, and birth date of each person hired.

491—6.10(99D,99E,99F) Required report of discharge of licensed employee. Upon discharge of any licensed employee by any licensed employer for violation of commission rules, state laws, or federal laws, the employer must make a report, in writing and within 72 hours, to the commission.

6.10(1) For licensed employers with a local commission office on the premises, the report is made to the local commission office.

6.10(2) In the case of discharge of a board member of an internet fantasy sports contest service provider, the report is made to the Des Moines commission office.

6.10(3) The report must contain:

a. The fact of discharge.

b. The reason for discharge.

c. The name of the discharged licensee.

d. The occupation of the discharged licensee.

491—6.11(99D,99F,252J) Receipt of certificate of noncompliance from the child support recovery unit.

6.11(1) Upon the commission's receipt of a certificate of noncompliance, a commission representative will initiate procedures for the suspension, revocation, or denial of issuance or renewal of licensure to an individual. A notice of intended action will be served by restricted certified mail, return receipt requested, or by personal service in accordance with Iowa Rule of Civil Procedure 1.305.

6.11(2) The effective date of suspension or revocation, or denial of the issuance or renewal of a license, as specified in the notice, is no sooner than 30 days following service of the notice upon the licensee or applicant.

6.11(3) The filing of a district court action by a licensee or applicant challenging the issuance of a certificate of noncompliance automatically stays any administrative action. Upon the receipt of a court order lifting the stay, dismissing the action, or otherwise directing the commission, the intended action will proceed as described in the notice. For purposes of determining the effective date of suspension or revocation, or denial of the issuance or renewal of a license, only the number of days before the action was filed and the number of days after the action was disposed of by the court will be counted.

6.11(4) Upon receipt of a withdrawal of a certificate of noncompliance from the child support recovery unit, the commission representative will immediately reinstate, renew, or issue a license if the individual is otherwise in compliance with licensing requirements.

6.11(5) All commission fees for applications or license renewals must be paid by licensees or applicants before a license will be issued or renewed.

491—6.12(99D,99F,272D) Receipt of certificate of noncompliance from the centralized collection unit of the department of revenue.

6.12(1) Upon the commission's receipt of a certificate of noncompliance, a commission representative will initiate procedures for the suspension, revocation, or denial of issuance or renewal of licensure to an individual. A notice of intended action will be served by restricted certified mail, return receipt requested, or by personal service in accordance with Iowa Rule of Civil Procedure 1.305.

6.12(2) The effective date of suspension or revocation, or denial of the issuance or renewal of a license, as specified in the notice, is no sooner than 30 days following service of the notice upon the licensee or applicant.

6.12(3) The filing of a district court action by a licensee or applicant challenging the issuance of a certificate of noncompliance automatically stays any administrative action. Upon the receipt of a court order lifting the stay, dismissing the action, or otherwise directing the commission, the intended action will proceed as described in the notice. For purposes of determining the effective date of suspension or revocation, or denial of the issuance or renewal of a license, only the number of days before the action was filed and the number of days after the action was disposed of by the court will be counted.

6.12(4) Upon receipt of a withdrawal of a certificate of noncompliance from the centralized collection unit, the commission representative will immediately reinstate, renew, or issue a license if the individual is otherwise in compliance with licensing requirements.

6.12(5) All commission fees for applications or license renewals must be paid by licensees or applicants before a license will be issued or renewed.

491—6.13(99D,99F) Vendor's license.

6.13(1) A vendor's license is required of any entity not licensed as a manufacturer or distributor that conducts operations on site at a facility or is a vendor that provides geolocation security services to any licensee.

6.13(2) An applicant for a vendor's license must complete the appropriate commission form. An authorized representative from the facility for which the vendor wishes to do continuous business

must sign the form. A letter from the facility authorizing the vendor to do business may replace a signature on the application form.

6.13(3) Only employees who work for a racing, sports wagering, or simulcast vendor require an occupational license. A vendor license must be issued before a vendor employee can be issued a license to represent that company. The authorized signature on the vendor employee's application must be the signature of the person authorized by the vendor application to sign vendor employee applications.

491—6.14(99D,99F) Applicability of rules—exceptions. Rules pertaining to and rulings against licensees apply in like force to the spouse and members of the immediate family or household of the licensee if the continuation of participation in racing or gaming by the affected person circumvents the intent of the rule or affects the ruling by permitting a person under the control or direction of the licensee to serve in essence as a substitute for a suspended licensee or a person ineligible to participate in a particular activity.

491—6.15(99D) Disclosure of ownership of racing animals. All entities of ownership (individual, lessee, lessor, general partnership, or corporation) and all trainers are responsible for making full and accurate disclosure of the ownership of all racing animals registered or entered for racing. Disclosures must identify in writing all individuals or entities that, directly or indirectly, through a contract, lien, lease, partnership, stockholding, syndication, joint venture, understanding, relationship (including family relationship), present or reversionary right, title or interest, or otherwise hold any interest in a racing animal and those individuals or entities who by virtue of any form of interest might exercise control over the racing animal or may benefit from the racing of the animal. The degree and type of ownership held by each individual person must be designated. The transfer of a racing animal to avoid application of a commission rule or ruling is prohibited and constitutes grounds for discipline.

491—6.16(99D) Owners of racing animals.

6.16(1) Each owner is subject to the laws of Iowa and the rules promulgated by the commission immediately upon acceptance and occupancy of accommodations from or approved by a facility or upon making entry to run on its track. Owners must accept the decision of the commission representative on any and all questions, subject to the owner's right of appeal to the commission.

6.16(2) An owner who is under the age of 18 must have a parent or guardian cosign any contractual agreements.

6.16(3) No person or entity that is not the owner of record of a properly registered racing animal that is in the care of a licensed trainer may be licensed as an owner.

491—6.17(99D) Stable name.

6.17(1) Licensed owners and lessees wishing to race under a stable name may do so by applying for a license with the commission on forms furnished by the commission. All stable names must be licensed with the commission on forms furnished by the commission, and in accordance with the requirements of rule 491—6.16(99D).

6.17(2) A stable name license is only necessary if the stable name is a name other than the licensed owner's legal name (first and last name), the owner's full name followed by the word "stable," or the name of a licensed partnership or corporation.

6.17(3) In applying to race under a stable name, the applicant must disclose the identities behind the name and, if applicable, comply with partnership and corporation rules. The application form must appoint one person to act as the agent for the stable name.

6.17(4) Changes in identities involved in a stable name must be reported immediately to and approved by the commission representative.

6.17(5) A licensed owner who has registered under a stable name may at any time cancel the stable name after giving written notice to the commission.

6.17(6) A stable name may be changed by registering a new name.

6.17(7) A licensed owner cannot register a stable name that the commission determines to be either misleading to the public or unbecoming to the sport.

6.17(8) Neither sole owners nor partners, after adopting use of a stable name, may use their real names to reflect ownership that is reflected in the stable name.

6.17(9) A $10 fee will be assessed for each application for a stable name license.

6.17(10) No person may register with any racing authority a stable name that has already been registered by another person, that is the real name of another owner of race horses, that is the real or stable name of any prominent person who does not own race horses, or that is not plainly distinguishable from that of another registered stable name.

491—6.18(99D) Leases.

6.18(1) No licensee shall lease a racing animal for the purpose of racing at facilities in this state without prior approval of the commission representatives.

6.18(2) Both lessor and lessee must be licensed as owners.

6.18(3) Each licensee who leases a racing animal must submit a copy of that lease to the commission representatives. The lease must contain the conditions of the lease arrangement and the names of all parties and racing animals related to the lease. Failure to submit accurate and complete information under this rule is a violation of these rules.

6.18(4) Both seller and purchaser, or their agents or representatives, of a racing animal that is sold after being registered for racing with a racing association must immediately notify the commission representatives of the sale and transfer. The commission representatives may require a declaration of the facts of the sale and transfer under oath and penalty of perjury.

491—6.19(99D) Partnerships owning racing animals.

6.19(1) A partnership is a formal or informal arrangement between two or more persons to own a racing animal. All partnerships, excluding spouses, must be licensed with the commission on forms furnished by the commission, and in accordance with the requirements of rule 491—6.16(99D).

6.19(2) The managing partner(s) listed on the application and all parties owning 5 percent or more must be licensed as individual owners.

a. The commission representative may request a partnership to have on file with the commission an agreement whereby the managing partner(s) is designated to be responsible for each racing animal. This agreement must be notarized and must be signed by all partners. A copy of this agreement must be attached to the registration certificate on file in the racing secretary's office.

b. It is the responsibility of the managing partner(s) to make sure that all parties are eligible for licensure. The commission representative will deny, suspend, or revoke the license of any partnership in which a member (either qualified or limited by rights or interests held or controlled by any individual or entity) would be ineligible to be licensed as an owner or to participate in racing.

c. Any owner who is a member of a partnership may be required to list all racing animals that the owner intends to race in Iowa in which an interest is owned (either in whole or in part).

d. All parties to a partnership are jointly and severally liable for all stakes, forfeits, and other obligations.

e. An authorized agent may be appointed to represent the partnership in all matters and be responsible for all stakes, forfeits, entries, scratches, signing of claim slips, and other obligations in lieu of the managing partner(s).

6.19(3) A partnership name under which a racing animal races is considered a stable name for purposes of these rules. It is not necessary for the partnership to obtain a separate stable name license.

6.19(4) Any partner's share or partial share of a partnership that owns a racing animal cannot be assigned without the written consent of the other partner(s), the commission representative's approval, and filing with the racing secretary. Any alteration in a partnership structure or percentages must be reported promptly in writing, notarized, signed by all members of the partnership, and filed with the commission.

6.19(5) The commission representative may review the ownership of each racing animal entered to race and ensure that each registration certificate or eligibility certificate is properly endorsed by the transferor to the present owner(s). The commission representative may determine the validity for racing purposes of all liens, transfers and agreements pertaining to ownership of a racing animal and may call for adequate evidence of ownership at any time. The commission representative may declare any animal ineligible to race if its ownership, or control of its ownership, is in question.

6.19(6) A $10 fee will be assessed for each application for a partnership license.

491—6.20(99D) Corporations owning racing animals.

6.20(1) All corporations must be duly licensed by the commission on forms furnished by the commission and in accordance with the requirements of rule 491—6.16(99D). In addition, any stockholder owning a beneficial interest of 5 percent or more of the corporation must be licensed as an owner. The corporation must submit a complete list of stockholders owning a beneficial interest of 5 percent or more.

6.20(2) The corporation stockholders owning less than 5 percent of the stock of a corporation need not be licensed; however, the commission may request a list of these stockholders. The list should include names, percentages owned, addresses, social security numbers, and dates of birth. These stockholders will not have access to the backstretch, to the paddock area, or to the winner's circle other than as guests of a facility, commission representatives, or designated licensees; they may be required to submit additional information as requested by the commission representative, which may include a release for confidential information and submission of fingerprint cards; and the commission may assess costs, as required, for criminal history checks. This information is due to the commission representative within 30 days of the date of the request.

6.20(3) Any and all changes in either the corporation structure or the respective interest of stockholders as described above must be notarized and promptly filed with the commission representatives.

6.20(4) The corporate name under which the corporation does business in Iowa is considered a stable name for purposes of these rules. It is not necessary for the corporation to obtain a separate stable name license.

6.20(5) A corporation, in lieu of an executive officer, may appoint a racing manager or an authorized agent for the purposes of entry, scratches and the signing of claim slips, among other obligations.

6.20(6) The commission representative may deny, suspend, or revoke the license of a corporation for which a beneficial interest includes or involves any person or entity that is ineligible (through character, moral fitness or any other criteria employed by the commission) to be licensed as an owner or to participate in racing, regardless of the percentage of ownership interest involved.

6.20(7) Any stockholder holding a beneficial interest of 5 percent or more of a corporation must, in addition to being licensed, list any interest owned in all racing animals in which any beneficial interest is owned.

6.20(8) The corporation must pay a $10 fee to the commission.

491—6.21(99D) Authorized agents for owner entities of racing animals.

6.21(1) Any persons represented by a stable name, corporation, partnership, or single person entity may assign an agent for the stable name, corporation, partnership, or single person entity. The assigned agent is then authorized to handle matters pertaining to racing, which may include authorization to collect all purses or other moneys.

6.21(2) The application for a license as an authorized agent must be signed by the principal and clearly set forth the powers of the agent, including whether the agent is empowered to collect money from the facility. The application must be notarized and a copy must be filed with the facility.

6.21(3) Changes in an agent's powers or revocation of an agent's authority must be in writing, notarized, and filed with the commission's licensing office and the facility.

6.21(4) The authorized agent must pay a $10 fee to the commission.

491—6.22(99D) Trainers and assistant trainers of racing animals.

6.22(1) All trainers and assistant trainers of racing animals and their employees are subject to the laws of Iowa and the rules promulgated by the commission immediately upon acceptance and occupancy of accommodations from or approved by the facility or upon making entry to run on its track. Trainers, assistant trainers, and their employees must accept the decision of the commission representative on any and all questions, subject to their right of appeal to the commission.

6.22(2) Trainers and assistant trainers licensing eligibility.

a. An applicant must be at least 18 years of age to be licensed by the commission as a trainer or assistant trainer.

b. An applicant must be qualified, as determined by the commission representative, by reason of experience, background, and knowledge of racing. A trainer's license from another jurisdiction may be accepted as evidence of experience and qualifications. Evidence of qualifications may require, and, if an applicant has previously never been licensed as a trainer or assistant trainer, will require, four or more of the following:

(1) Passing a written examination.

(2) Passing an interview or oral examination.

(3) Passing a demonstration of practical skills in a "barn test."

(4) A minimum of two written statements from licensed trainers during the concurrent race meet attesting to the applicant's character and qualifications.

(5) Proof the applicant has held a racing participant license of another type for at least two years prior to application.

c. An applicant must have a racing animal eligible to race and registered to race at the current race meeting.

491—6.23(99D) Jockeys and apprentice jockeys.

6.23(1) *Eligibility.*

a. An applicant for a jockey license must be at least 16 years of age, and if under 18 years of age, the applicant must have the written consent of a parent or guardian.

b. A jockey must pass a physical examination given within the previous 12 months by a licensed physician or physician associate affirming fitness to participate as a jockey. The commission representative may require that any jockey be reexamined and may refuse to allow any jockey to ride pending completion of such examination.

c. An applicant must show competence by prior licensing, demonstration of riding ability, or temporary participation in races. An applicant may participate in a race or races, with the commission representative's prior approval for each race, not to exceed five races.

d. A jockey cannot be an owner or trainer of any horse competing at the race meeting where the jockey is riding.

e. A person who has never ridden in a race at a recognized meeting will not be granted a license as jockey or apprentice jockey.

6.23(2) *Apprentice jockeys.*

a. The conditions of an apprentice jockey license do not apply to quarter horse racing. A jockey's performance in quarter horse racing does not apply to the conditions of an apprentice jockey license.

b. An applicant with an approved apprentice certificate may be licensed as an apprentice jockey.

c. An applicant for an apprentice jockey license must be at least 16 years of age, and if under 18 years of age, the applicant must have written consent of parent or guardian. Before such a license is granted, a commission representative will ascertain that the applicant has suitable qualifications and aptitude to hold an apprentice jockey's license and that the applicant has not been previously licensed as a jockey in any jurisdiction.

6.23(3) *Jockeys from foreign countries.* Upon making application for a license in this jurisdiction, jockeys from a foreign country must declare that they are holders of valid licenses in

their countries, not under suspension, and bound by the rules and laws of this state. To facilitate this process, the jockey must present a declaration sheet to the commission representative in a language recognized in this jurisdiction.

491—6.24(99D) Time by which owner, jockey and trainer must be licensed. The owner (including stable names, partnerships, and corporations), the jockey, and the trainer of a horse entered to race must be licensed by the first post time of the race card for the day in which the horse is entered.

491—6.25(99D) Jockey agent. An applicant for a license as a jockey agent must:

6.25(1) Provide written proof of agency with at least one jockey licensed by the commission.

6.25(2) Be qualified, as determined by the commission representative, by reason of experience, background, and knowledge. A jockey agent's license from another jurisdiction may be accepted as evidence of experience and qualifications. Evidence of qualifications may require passing one or both of the following:

a. A written examination.

b. An interview or oral examination.

6.25(3) When not previously licensed as a jockey agent, pass a written and oral examination.

491—6.26(99D) Practicing veterinarians. Every veterinarian practicing on facility premises must have an unrestricted and current license to practice veterinary science issued by the state of Iowa veterinary regulatory authority, have a current and unrestricted Controlled Substances Act registration issued by the board of pharmacy, and be licensed by the commission in accordance with the commission rules governing occupational licensing.

6.26(1) Every veterinarian seeking to be licensed by the commission must submit verification of a current and unrestricted:

a. License to practice veterinary science issued by the state of Iowa veterinary regulatory authority.

b. Controlled Substances Act registration issued by the board of pharmacy.

6.26(2) A veterinarian seeking to be licensed by the commission must disclose in the veterinarian's application to the commission all disciplinary action taken against any professional licenses or registrations held by the applicant.

491—6.27(99D,99F) Alcohol and drug testing.

6.27(1) *Alcohol prohibition/preliminary breath test.*

a. Licensees whose duties require them to be in a restricted area, as defined in paragraph 6.5(3)*"p,"* of a racing facility shall not have present within their systems an amount of alcohol of 0.05 percent or more.

b. Acting with reasonable cause, a commission representative may direct the above licensees to submit to a preliminary breath test. A licensee must submit to examination when so directed.

(1) If the results show a reading of 0.05 percent alcohol content or more, the licensee shall not be permitted to continue duties for that day. For a second violation, the licensee shall not be permitted to continue duties for that day and then is subject to fine or suspension by the board or commission representative. For a subsequent violation, the licensee may be subject to procedures following positive chemical analysis (more information is contained in subrule 6.28(3)).

(2) If the results show a reading of 0.10 percent alcohol content or more, the licensee is subject to fine or suspension by the board or commission representative. For a subsequent violation, the licensee may be subject to procedures following positive chemical analysis (more information is contained in subrule 6.28(3)).

6.27(2) *Drug prohibition/body fluid test.*

a. Licensees whose duties require them to be in a restricted area, as defined in paragraph 6.5(3)*"p,"* of a racing facility shall not have present within their systems any controlled substance that is federally scheduled or is listed in Iowa Code chapter 124 or any prescription drug unless

it was obtained directly or pursuant to valid prescription or order from a duly licensed physician or physician associate who is acting in the course of professional practice. Acting with reasonable cause, a commission representative may direct the above licensees to deliver a specimen of urine or subject themselves to the taking of a blood sample or other body fluids at a collection site approved by the commission. In these cases, the commission representative may prohibit the licensee from participating in racing until the licensee evidences a negative test result. Sufficient sample should be collected to ensure a quantity for a split sample when possible. A licensee who refuses to provide the samples herein described is in violation of these rules and may be immediately suspended and subject to disciplinary action by the board or commission representative. All confirmed positive test costs and any related expenses are paid by the licensee. Negative tests are at the expense of the commission.

b. With reasonable cause, an on-duty commission representative may direct a licensee to deliver a test. The commission representative will call the approved laboratory or hospital and provide information regarding the person who will be coming; that the licensee will have a photo ID; the name and number to call when the licensee arrives; to whom and where to mail the results; and who should be called with the results. The licensee will be directed to immediately leave the work area and proceed to an approved laboratory or hospital for testing with the following directions:

(1) If the licensee is under impairment, another person will drive the licensee to the laboratory or hospital.

(2) On arrival at the laboratory or hospital, the licensee will show the license to the admitting personnel for verification.

(3) On arrival at the laboratory or hospital, the licensee must sign a consent for the release of information of the results to a commission representative.

6.27(3) *Procedures following positive chemical analysis.*

a. After professional evaluation, if the licensee's condition proves nonaddictive and not detrimental to the best interest of racing and the licensee can produce a negative test result and agrees to further testing at the discretion of the commission representative to ensure unimpairment, the licensee may be allowed to participate in racing.

b. After professional evaluation, should the licensee's condition prove addictive or detrimental to the best interest of racing, the licensee will not be allowed to participate in racing until the licensee can produce a negative test result and show documented proof of successful completion of a certified alcohol/drug rehabilitation program approved by the commission. The licensee must also agree to further testing at the discretion of the commission representative to ensure unimpairment.

c. For a second violation, a licensee will be suspended and allowed to enroll in a certified alcohol/drug rehabilitation program approved by the administrator and to apply for reinstatement only at the discretion of the administrator.

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