

CHAPTER 1
ORGANIZATION AND OPERATION
[Prior to 11/19/86, Racing Commission[693]]
[Prior to 11/18/87, Racing and Gaming Division[195]]
[Prior to 8/9/00, see also 491—Chs 6, 20 and 21]

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

491—1.1(99D,99E,99F) Function. The racing and gaming commission was created by Iowa Code chapter 99D and is charged with the administration of the Iowa pari-mutuel wagering Act and excursion boat gambling Act, sports wagering, and internet fantasy sports contests. Iowa Code chapters 99D, 99E and 99F mandate that the commission shall have full jurisdiction over and shall supervise all race meetings, gambling operations, sports wagering, and internet fantasy sports contests governed by Iowa Code chapters 99D, 99E and 99F.

[ARC 4618C, IAB 8/28/19, effective 7/31/19; ARC 5016C, IAB 4/8/20, effective 5/13/20]

491—1.2(99D,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 racing and gaming commission consists of five members. The membership shall elect a chairperson and vice-chairperson in July of each year. No chairperson shall serve more than four consecutive one-year full terms.

1.2(2) Meetings.

a. The commission meets periodically throughout the year and shall meet in July of each year. Notice of a meeting is published on the commission's website at irgc.iowa.gov/ at least five days in advance of the meeting or will be sent to interested persons upon request. The notice shall contain the specific date, time, and place of the meeting. Agendas are available to any interested persons not less than five days in advance of the meeting.

b. Persons wishing to appear before the commission should submit a written request to the commission office not less than ten working days prior to the meeting. The administrator or commission may place a time limit on presentations after taking into consideration the number of presentations requested.

c. Special or electronic meetings may be called by the chairperson only upon a finding of good cause and shall be held in strict accordance with Iowa Code section 21.4 or 21.8.

1.2(3) Procedure. All meetings shall be open to the public unless a closed session is voted by four members or all members present for the reasons specified in Iowa Code section 21.5. The operation of commission meetings shall be governed by the following rules of procedure:

a. A quorum shall consist of three members.

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

c. A commissioner, who is present at a meeting of the commission when action is taken, shall be 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 shall record the offering of any motion to reconsider, whether placed during the meeting or by timely written submission.

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

e. Cases not covered by this rule shall be governed by the most recent edition of Robert's Rules of Order Newly Revised.

[ARC 0734C, IAB 5/15/13, effective 6/19/13; ARC 1506C, IAB 6/25/14, effective 7/30/14; ARC 2927C, IAB 2/1/17, effective 3/8/17; Editorial change: IAC Supplement 3/6/24]

491—1.3(99D,99F) Administration of the commission. The commission shall appoint an administrator for the racing and gaming commission who is responsible for the day-to-day administration of the commission's activities.

491—1.4(17A,22,99D,99F) Open records. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

491—1.5(17A,99D,99F) Forms. All forms utilized in the conduct of business with the racing and gaming commission shall be available from the commission upon request. These forms include but are not limited to:

1.5(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 physical plant 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 spaces, facilities, and equipment; transportation, lodging, meals, and other travel-related expenses; market feasibility studies the commission conducts; 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 will bill the applicant or 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.

1.5(2) *Renewal application for racing license.* This form shall contain, 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. The form may include other information the commission deems necessary to make a decision on the license application.

1.5(3) *Renewal application for excursion gambling boat or gambling structure license.* This form shall contain, at a minimum, the full name of the applicant, annual fee, distribution to qualified sponsoring organizations, table of organization, internal controls, operating agreement, hours of operation, casino operations, 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. An annual fee to operate an excursion gambling boat shall be based on the passenger-carrying capacity including crew. For a gambling structure, the annual license fee shall be based on the capacity of the gambling structure. The fee shall be \$5 per person capacity and accompany this application.

1.5(4) *Renewal application for racetrack enclosure license.* This form shall contain, at a minimum, the full name of the applicant, annual fee, casino operations, internal controls, 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 must accompany this license application.

1.5(5) *Occupational license application.* This form shall contain, at a minimum, the applicant's full name, social security number, residence, date of birth, and other personal identifying information that the commission deems necessary. A fee set by the commission shall apply to this application. (Refer to 491—Chapter 6 for additional information.)

1.5(6) *Season approvals.* This form shall contain, at a minimum, a listing of the department heads and racing officials, minimum purse, purse supplements for Iowa-breds, grading system (greyhound racing only), schedule and wagering format, equipment, security plan, certification, and any other information the commission deems necessary for approval. This request must be submitted 45 days prior to the meet. Any changes to the items approved by the commission shall be requested in writing by the licensee and subject to the written approval of the administrator or commission representative before the change occurs.

1.5(7) *Manufacturers and distributors license application.* This form shall contain 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 physical plant 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. A license fee of \$1,000 for a distributor's license and a license fee of \$250 for a manufacturer's license shall accompany this application. (Refer to 491—Chapter 11 for additional information.)

1.5(8) *Advance deposit wagering license application.* This form shall contain 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 physical plant 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. A license fee of \$1,000 shall accompany this application. (Refer to 491—Chapter 8 for additional information.)

1.5(9) *Asset/stock purchase form for commission approval.* This form shall contain 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 physical plant of the applicant, and description of proposed operation. The form may include other information the administrator deems necessary to make a decision.

1.5(10) *Sports wagering for excursion gambling boat, gambling structure or racetrack enclosure application.* This form shall contain, 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 shall pay a nonrefundable application fee in the amount of \$45,000 to the commission.

1.5(11) *Renewal application for sports wagering for excursion gambling boat, gambling structure or racetrack enclosure.* This form shall contain, at a minimum, the full name of the applicant, a \$10,000 annual fee, disclosure of agreements involving sports wagering, sports wagering operations, internal controls, 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.

1.5(12) *Advance deposit sports wagering operator application.* This form shall contain, 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, 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.

1.5(13) *Internet fantasy sports contest application.* This form shall contain, 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 action, 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.

1.5(14) *Alternative simulcast license application.* This form shall contain, 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, 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.

[ARC 1506C, IAB 6/25/14, effective 7/30/14; ARC 4618C, IAB 8/28/19, effective 7/31/19; ARC 5016C, IAB 4/8/20, effective 5/13/20; ARC 6894C, IAB 2/22/23, effective 3/29/23; ARC 0184D, IAB 4/1/26, effective 5/6/26]

491—1.6(99D,99F) Limitation on location and number of racetracks and excursion gambling boats. Rescinded IAB 9/29/04, effective 11/3/04.

491—1.7(99D,99F) Criteria for granting licenses, renewing licenses, and determining race dates. The commission sets forth the following criteria which the commission will consider when deciding whether to issue a license to conduct racing or gaming or sports wagering in Iowa. The various criteria may not have the same importance in each instance, and other factors may present themselves in the consideration of an 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.

1.7(1) *Compliance.* The commission will consider whether or not the applicant is and has been in compliance with the terms and conditions specified in Iowa Code section 99D.9 or 99F.4. The commission will also consider whether the proposed facility is in compliance with applicable state and local laws regarding fire, health, construction, zoning, and other similar matters.

1.7(2) *Gaming integrity.* The commission will consider whether the proposed 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 shall decide what weight and effect evidence about an officer, director, partner, or shareholder should have in the determination of whether there is substantial evidence that the individual is not of good reputation and character. For the purposes of this chapter, the term “directors” shall also include managers of limited liability companies and the term “shareholders” shall also include members of limited liability companies.

1.7(3) *Economic impact and development.* The commission will consider:

a. The amount of revenue to be provided by the proposed facility to the state and local communities through direct taxation on the facility’s operation and 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 proposed 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 proposed 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 is adequately and properly financed.

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

(5) Percent 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.

1.7(4) *Efficient and safe operation.* The commission will consider whether the proposed facility is planned in a manner that promotes efficient and safe operation of all aspects of the facility including providing adequate security for employees and patrons. Adequate employment to serve patrons' needs, facility scope and design, parking facilities, access to cashier windows, concessions, and restrooms will be considered.

1.7(5) *Community support.* The commission will consider support for the proposed project within the community in which a proposed facility is to be located.

1.7(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 if the proposed racetrack operation will maximize purses and is beneficial to Iowa breeders.

1.7(7) *Other factors.* The commission will consider such other factors as may arise in the circumstances presented by a particular application.

[ARC 8029B, IAB 8/12/09, effective 9/16/09; ARC 4618C, IAB 8/28/19, effective 7/31/19; ARC 5016C, IAB 4/8/20, effective 5/13/20]

491—1.8(17A,99D,99F) Granting of a waiver. Rescinded by 2026 Iowa Acts, Senate File 2463, section 4, effective July 1, 2026.

These rules are intended to implement Iowa Code section 17A.9A and Iowa Code chapters 99D and 99F.

[Filed 5/18/84, Notice 4/11/84—published 6/6/84, effective 7/13/84]

[Filed emergency 10/20/86—published 11/19/86, effective 10/20/86]

[Filed 3/6/87, Notice 1/14/87—published 3/25/87, effective 4/29/87]

[Filed 6/11/87, Notice 4/8/87—published 7/1/87, effective 8/6/87]

[Filed 10/23/87, Notice 9/9/87—published 11/18/87, effective 12/23/87]

[Filed 2/16/90, Notice 12/27/89—published 3/7/90, effective 4/11/90]

[Filed 2/15/91, Notice 1/9/91—published 3/6/91, effective 4/10/91]

[Filed 12/6/91, Notice 10/16/91—published 12/25/91, effective 1/29/92]

[Filed emergency 3/22/93—published 4/14/93, effective 3/22/93]

[Filed 5/21/93, Notice 4/14/93—published 6/9/93, effective 7/14/93]

[Filed 4/10/97, Notice 2/12/97—published 5/7/97, effective 6/11/97]

[Filed 8/22/97, Notice 7/16/97—published 9/10/97, effective 10/15/97]

[Filed 3/6/98, Notice 12/17/97—published 3/25/98, effective 4/29/98]

[Filed 7/24/98, Notice 6/17/98—published 8/12/98, effective 9/16/98]

[Filed 10/26/98, Notice 9/9/98—published 11/18/98, effective 12/23/98]

[Filed 1/20/00, Notice 12/15/99—published 2/9/00, effective 3/15/00]²

[Filed 7/20/00, Notice 6/14/00—published 8/9/00, effective 9/13/00]

[Filed 10/13/00, Notice 9/6/00—published 11/1/00, effective 12/6/00]

[Filed 8/22/01, Notice 7/11/01—published 9/19/01, effective 10/24/01]

[Filed 7/18/02, Notice 6/12/02—published 8/7/02, effective 9/11/02]

[Filed 9/7/04, Notice 7/7/04—published 9/29/04, effective 11/3/04]^o

[Filed 10/17/05, Notice 8/3/05—published 11/9/05, effective 12/14/05]

[Filed 4/20/07, Notice 2/14/07—published 5/9/07, effective 6/13/07]

[Filed 1/11/08, Notice 11/7/07—published 1/30/08, effective 3/5/08]

[Filed ARC 8029B (Notice ARC 7758B, IAB 5/6/09), IAB 8/12/09, effective 9/16/09]

[Filed ARC 0734C (Notice ARC 0604C, IAB 2/20/13), IAB 5/15/13, effective 6/19/13]

[Filed ARC 1506C (Notice ARC 1393C, IAB 4/2/14), IAB 6/25/14, effective 7/30/14]

[Filed ARC 2927C (Notice ARC 2801C, IAB 11/9/16), IAB 2/1/17, effective 3/8/17]

[Filed Emergency ARC 4618C, IAB 8/28/19, effective 7/31/19]

[Filed ARC 5016C (Amended Notice ARC 4807C, IAB 12/18/19; Notice ARC 4617C, IAB 8/28/19),
IAB 4/8/20, effective 5/13/20]

[Filed ARC 5422C (Notice ARC 5269C, IAB 11/18/20), IAB 2/10/21, effective 3/17/21]

[Filed ARC 6894C (Notice ARC 6542C, IAB 9/21/22), IAB 2/22/23, effective 3/29/23]

[Editorial change: IAC Supplement 3/6/24]

[Filed ARC 0184D (Notice ARC 9803C, IAB 12/24/25), IAB 4/1/26, effective 5/6/26]

[Content rescinded by 2026 Iowa Acts, Senate File 2463, section 4—editorially removed in IAC
Supplement 7/8/26, effective 7/1/26]

◇ Two or more ARCs

¹ Effective date of Item 1, subrule 1.6(4), delayed by the Administrative Rules Review Committee at its meeting held September 8, 1998, until the adjournment of the 1999 Session of the General Assembly.

² Effective date of 1.8 delayed 70 days by the Administrative Rules Review Committee at its meeting held March 10, 2000.