

491—8.7(99D) Alternative simulcast operator.**8.7(1) Authorization to conduct alternative simulcast.**

a. An entity may request authorization from the commission to conduct alternative simulcast wagering pursuant to Iowa Code section 99D.9D and this chapter. As part of the request, the entity shall submit a detailed plan of how its wagering system would operate. The commission may require changes in a proposed plan of operations as a condition of granting a request. No subsequent changes in the system's operation may occur unless ordered by the commission or until approval is obtained from the commission after it receives a written request.

b. The commission may conduct investigations or inspections or request additional information from the entity as the commission deems appropriate in determining whether to allow an entity to conduct an alternative simulcast operation.

c. The entity shall establish and manage an alternative simulcast wagering center.

d. The commission may issue an ASO license that complies with the requirements of Iowa Code section 99D.9D and the additional criteria as established by the commission. The terms of any ASO license shall include but not be limited to:

- (1) Fees to be paid on any races subject to pari-mutuel wagering.
- (2) An annual license fee in an amount to be determined by the commission.
- (3) Completion of all necessary background investigations as determined by the commission.
- (4) Acceptance of wagers on live races conducted at the horse racetrack in Polk County.
- (5) A bond or irrevocable letter of credit on behalf of the alternative simulcast operator to be determined by the commission.

- (6) Certification of secure retention of all records related to alternative simulcast and off-track wagering for a period of not less than three years or such longer period as specified by the commission.

- (7) Utilization and communication of pari-mutuel wagers to a pari-mutuel system meeting all requirements for pari-mutuel systems employed by licensed racing facilities in Iowa.

e. Commission access to and use of information concerning alternative simulcast and off-track wager transactions shall be considered proprietary, and such information shall not be disclosed publicly except as may be required pursuant to statute or court order or except as part of the official record of any proceeding before the commission. This requirement shall not prevent the sharing of this information with other pari-mutuel regulatory authorities or law enforcement agencies for investigative purposes.

8.7(2) Operation of an ASO. The ASO shall submit operating procedures and controls that provide for the following:

a. Written notification to the commission consistent with 491—paragraph 5.4(5)“c.”

b. The segregation of incompatible functions so that no employee is in a position to perpetrate and conceal errors or irregularities in the normal course of the employee's duties.

c. User access controls for all sensitive and secure, physical and virtual, areas and systems within a wagering operation.

d. Problem gambling controls consistent with 491—subrule 5.4(12).

e. Setoff winnings of customers who have a valid lien established under Iowa Code chapter 99D.

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