

CHAPTER 99D

PARI-MUTUEL WAGERING

Referred to in [§21.2](#), [21.11](#), [22.1](#), [80.25A](#), [80.26](#), [99B.21](#), [99E.1](#), [99F1](#), [99F2](#), [99F4](#), [99F4A](#), [99F4B](#), [99F4C](#), [99F7](#), [99F10](#), [99G.3](#), [123.49](#), [232C.4](#), [422.16](#), [533C.103](#), [537A.4](#), [714B.10](#), [717D.3](#), [725.7](#), [725.13](#), [725.14](#)

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99D.1 Short title.

[This chapter](#) shall be known and may be cited as the “*Iowa Pari-mutuel Wagering Act*”.
[83 Acts, ch 187, §1](#)

99D.2 Definitions.

As used in [this chapter](#) unless the context otherwise requires:

1. “*Applicant*” means an individual applying for an occupational license or the officers and members of the board of directors of a nonprofit corporation applying for a license to conduct a race where pari-mutuel wagering would be permitted under [this chapter](#).
2. “*Breakage*” means the odd cents by which the amount payable on each dollar wagered in a pari-mutuel pool exceeds a multiple of ten cents.
3. “*Claimant agency*” means a public agency as defined in [section 421.65, subsection 1](#), or the state court administrator as defined in [section 602.1101](#).
4. “*Commission*” means the state racing and gaming commission created under [section 99D.5](#).
5. “*Holder of occupational license*” means a person licensed by the commission to perform an occupation which the commission has identified as requiring a license to engage in within the racing industry in Iowa.
6. “*Licensee*” means a nonprofit corporation licensed under [section 99D.9](#).
7. “*Pari-mutuel wagering*” means the system of wagering described in [section 99D.11](#).
8. “*Race*”, “*racing*”, “*race meeting*”, “*track*”, and “*racetrack*” refer to dog racing and horse racing, including but not limited to quarterhorse, thoroughbred, and harness racing, as approved by the commission.
9. “*Racetrack enclosure*” means all real property utilized for the conduct of a race

meeting, including the racetrack, grandstand, concession stands, offices, barns, kennels and barn areas, employee housing facilities, parking lots, and any additional areas designated by the commission. “*Racetrack enclosure*” also means all real property utilized by a licensee under [this chapter](#) who is not required to conduct live racing pursuant to the requirements of [section 99D.9A](#), on which pari-mutuel wagering on simultaneously telecast horse or dog races may be conducted and lawful gambling is authorized and licensed as provided in [this chapter](#) and [chapter 99F](#).

10. “*Wagering area*” means that portion of a racetrack in which a licensee may receive wagers of money from a person present in a licensed racetrack enclosure on a horse or dog in a race selected by the person making the wager as designated by the commission.

83 Acts, ch 187, §2; 84 Acts, ch 1265, §1; 84 Acts, ch 1266, §3; 89 Acts, ch 67, §23; 97 Acts, ch 9, §1; 2004 Acts, ch 1136, §2, 3; 2005 Acts, ch 3, §24; 2008 Acts, ch 1172, §1; 2014 Acts, ch 1036, §15; 2014 Acts, ch 1126, §1; 2020 Acts, ch 1064, §4, 28; 2020 Acts, ch 1118, §73, 74

Referred to in §99F.1, 99F.4, 99F.9

99D.3 Scope of provisions.

[This chapter](#) does not apply to horse-race or dog-race meetings unless the pari-mutuel system of wagering is used or intended to be used in connection with the horse-race or dog-race meetings. If the pari-mutuel system is used or intended to be used a person shall not conduct a race meeting without a license as provided by [section 99D.9](#).

83 Acts, ch 187, §3

99D.4 Pari-mutuel wagering legalized.

The system of wagering on the results of horse or dog races as provided by [this chapter](#) is legal, when conducted within the racetrack enclosure at a licensed horse-race or dog-race meeting.

83 Acts, ch 187, §4

99D.5 Creation of state racing and gaming commission.

1. A state racing and gaming commission is created within the department of inspections, appeals, and licensing consisting of five members who shall be appointed by the governor subject to confirmation by the senate, and who shall serve not to exceed a three-year term at the pleasure of the governor. The term of each member shall begin and end as provided in [section 69.19](#).

2. A vacancy on the commission shall be filled as provided in [section 2.32](#).

3. Not more than three members of the commission shall belong to the same political party. A member of the commission shall not have a financial interest in a racetrack.

4. Commission members are each entitled to receive an annual salary of ten thousand dollars. Members shall also be reimbursed for actual expenses incurred in the performance of their duties to a maximum of thirty thousand dollars per year for the commission. Each member shall be covered by the blanket surety bond of the state purchased pursuant to [section 8A.321, subsection 12](#).

5. *a.* A member or a holder of an official’s license shall not knowingly:

(1) Have a pecuniary, equitable, or other interest in or engage in a business or employment which would be a conflict of interest or interfere or conflict with the proper discharge of the duties of the commission including any of the following:

(a) A business which does business with a licensee.

(b) A business issued a concession operator’s license.

(2) Participate directly or indirectly as an owner, owner-trainer, trainer of a horse or dog, or jockey of a horse in a race meeting conducted in this state.

(3) Place a wager on an entry in a race or on a gambling game operated on an excursion gambling boat or gambling structure.

b. A violation of [this subsection](#) is a serious misdemeanor. In addition, the individual may be subject to disciplinary actions pursuant to the commission rules.

6. *a.* A member, employee, or appointee of the commission, spouse of a member, employee, or appointee of the commission, or a family member related within the second

degree of affinity or consanguinity to a member, employee, or appointee of the commission shall not do either of the following:

(1) Hold an occupational license except an official's license.

(2) Enter directly or indirectly into any business dealing, venture, or contract with an owner or lessee of a racetrack.

b. A member who knowingly approves of a violation of [this subsection](#) is guilty of a serious misdemeanor.

83 Acts, ch 187, §5, 36; 84 Acts, ch 1266, §4, 5; 86 Acts, ch 1245, §713, 714; 88 Acts, ch 1267, §17; 89 Acts, ch 67, §24, 25; 89 Acts, ch 83, §21; 89 Acts, ch 231, §30; 91 Acts, ch 266, §21; 92 Acts, ch 1203, §2; 2004 Acts, ch 1136, §4; 2005 Acts, ch 177, §15; 2007 Acts, ch 188, §4; 2008 Acts, ch 1032, §201; 2023 Acts, ch 19, §1869

Referred to in §99B.13, 99B.42, 99D.2, 99E.1, 99F.1
Confirmation, see §2.32

99D.6 Headquarters, meetings, and election of chairperson — administrator — employees.

1. The commission shall have its headquarters in the city of Des Moines and shall meet at such times and places as it finds necessary for the discharge of its duties. The commission shall elect in July of each year one of its members as chairperson for the succeeding year.

2. The commission shall appoint an administrator of the commission subject to confirmation by the senate. The administrator shall serve a four-year term. The term shall begin and end in the same manner as set forth in [section 69.19](#). A vacancy shall be filled for the unexpired portion of the term in the same manner as a full-term appointment is made. The administrator shall be covered by the blanket surety bond of the state purchased pursuant to [section 8A.321, subsection 12](#). The compensation and employment terms of the administrator shall be set by the governor, taking into consideration the level of knowledge and experience of the administrator. The administrator shall keep a record of the proceedings of the commission and preserve the books, records, and documents entrusted to the administrator's care.

3. The administrator may hire other assistants and employees as necessary to carry out the commission's duties. Employees in the positions of equine veterinarian, canine veterinarian, and equine steward shall be exempt from the merit system provisions of [chapter 8A, subchapter IV](#), and shall not be covered by a collective bargaining agreement. Some or all of the information required of applicants in [section 99D.8A, subsections 1 and 2](#), may also be required of employees of the commission if the commission deems it necessary.

83 Acts, ch 187, §6; 84 Acts, ch 1265, §2; 86 Acts, ch 1245, §715; 87 Acts, ch 115, §17; 89 Acts, ch 231, §31; 2004 Acts, ch 1136, §5, 65; 2007 Acts, ch 215, §26; 2015 Acts, ch 29, §18; 2024 Acts, ch 1170, §90

Referred to in §99D.10
Confirmation, see §2.32
Subsection 1 amended

99D.7 Powers.

The commission shall have full jurisdiction over and shall supervise all race meetings governed by [this chapter](#). The commission shall have the following powers and shall adopt rules pursuant to [chapter 17A](#) to implement [this chapter](#):

1. To investigate applicants and determine the eligibility of applicants for a license and to select among competing applicants for a license the applicant which best serves the interests of the citizens of Iowa.

2. To identify occupations within the racing industry which require licensing and adopt standards for licensing the occupations including establishing fees for the occupational licenses. The fees shall be paid to the commission and used as required in [section 99D.17](#).

3. To adopt standards regarding the duration of thoroughbred and quarter horse racing seasons, so that a thoroughbred racing season shall not be less than sixty-seven days, and so that a quarter horse racing season shall not be less than twenty-six days. The thoroughbred and quarter horse racing seasons shall be run independently unless mutually agreed upon by

the associations representing the thoroughbred and quarter horse owners and the licensee of the horse racetrack located in Polk county.

4. To adopt standards under which all race meetings shall be held and standards for the facilities within which the race meetings shall be held.

5. a. To regulate the purse structure for race meetings including establishing a minimum purse.

b. The commission shall, beginning January 1, 2012, regulate the purse structure for all horse racing so that seventy-six percent is designated for thoroughbred racing, fifteen and one-quarter percent is designated for quarter horse racing, and eight and three-quarters percent is designated for standardbred racing. The purse moneys designated for standardbred racing may only be used to support standardbred harness racing purses, breeder's awards, or expenses at the state fair, county fairs, or other harness racing tracks approved by the commission, or for the maintenance, construction, or repair of harness racing tracks located in Iowa and at the fairgrounds for such fairs or other harness racing tracks located in Iowa and approved by the commission. The horse racetrack in Polk county shall not provide funding to support standardbred racing at such county fairs that is not otherwise provided for in this paragraph.

c. (1) The purse moneys designated for standardbred racing shall be payable to a nonprofit corporation operated exclusively for those purposes allowed an exempt organization under section 501(c)(4) of the Internal Revenue Code, as defined in [section 422.3](#), which was organized under the laws of this state on or before January 1, 2008, which exists for the promotion of the sport of harness racing in this state, and which received supplemental payments from the horse racetrack in Polk county for the conduct of harness racing during the 2010 calendar year. The nonprofit corporation receiving such purse moneys shall complete and provide to the commission an annual audit and accounting of the allocation of such moneys.

(2) Of the purse moneys designated for thoroughbred racing, four percent shall be distributed to an organization representing owners of thoroughbred race horses for the purpose of paying the annual operating expenses of the organization and for the promotion and marketing of Iowa-bred horses. The organization receiving such purse moneys shall complete and provide to the commission an annual audit and accounting of the allocation of such moneys.

(3) Of the purse moneys designated for quarter horse racing, two percent shall be distributed to an organization representing owners of quarter horse race horses for the purpose of paying the annual operating expenses of the organization and for the promotion and marketing of Iowa-bred horses. The organization receiving such purse moneys shall complete and provide to the commission an annual audit and accounting of the allocation of such moneys.

6. To cooperate with the department of agriculture and land stewardship to establish and operate, or contract for, a laboratory and related facilities to conduct saliva, urine, and other tests on animals that are to run or that have run in races governed by [this chapter](#).

7. To establish and provide for the disposition of fees for the testing of animals sufficient to cover the costs of the tests and to purchase the necessary equipment for the testing.

8. To enter the office, racetrack, facilities, or other places of business of a licensee to determine compliance with [this chapter](#).

9. To investigate alleged violations of [this chapter](#) or the commission rules, orders, or final decisions and to take appropriate disciplinary action against a licensee or a holder of an occupational license for the violation, or institute appropriate legal action for enforcement, or both. Information gathered during an investigation is confidential during the pendency of the investigation. Decisions by the commission are final agency actions pursuant to [chapter 17A](#).

10. To authorize stewards, starters, and other racing officials to impose fines or other sanctions upon a person violating a provision of [this chapter](#) or the commission rules, orders, or final orders, including authorization to expel a tout, bookmaker, or other person deemed to be undesirable from the racetrack facilities.

11. To require the removal of a racing official, an employee of a licensee, or a holder of

an occupational license, or employee of a holder of an occupational license for a violation of [this chapter](#) or a commission rule or engaging in a fraudulent practice.

12. To prevent an animal from racing if the commission or commission employees with cause believe the animal or its owner, trainer, or an employee of the owner or trainer is in violation of [this chapter](#) or commission rules.

13. To withhold payment of a purse if the outcome of a race is disputed or until tests are performed on the animals to determine if they were illegally drugged.

14. To provide for immediate determination of the disposition of a challenge by a racing official or representative of the commission by establishing procedures for informal hearings before a panel of stewards at a racetrack.

15. To require a licensee to file an annual balance sheet and profit and loss statement pertaining to the licensee's racing activities in this state, together with a list of the stockholders or other persons having any beneficial interest in the racing activities of each licensee.

16. To issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records and other pertinent documents in accordance with [chapter 17A](#), and to administer oaths and affirmations to the witnesses, when, in the judgment of the racing and gaming commission, it is necessary to enforce [this chapter](#) or the commission rules.

17. To keep accurate and complete records of its proceedings and to certify the records as may be appropriate.

18. To require all licensees to use a computerized totalizator system for calculating odds and payouts from the pari-mutuel wagering pool and to establish standards to insure the security of the totalizator system.

19. To revoke or suspend licenses and impose fines not to exceed one thousand dollars.

20. To require licensees to indicate in their racing programs those horses which are treated with the legal medication furosemide or phenylbutazone. The program shall also indicate if it is the first or subsequent time that a horse is racing with furosemide, or if the horse has previously raced with furosemide and the present race is the first race for the horse without furosemide following its use.

21. Notwithstanding any contrary provision in [this chapter](#), to provide for interstate combined wagering pools related to simulcasting horse or dog races and all related interstate pari-mutuel wagering activities.

22. To cooperate with the gambling treatment program administered by the department of health and human services to incorporate information regarding the gambling treatment program and its toll-free telephone number in printed materials distributed by the commission. The commission may require licensees to have the information available in a conspicuous place as a condition of licensure.

23. To establish a process to allow a person to be voluntarily excluded from advance deposit wagering as defined in [section 99D.11](#), from an internet fantasy sports contest as defined in [section 99E.1](#), from advance deposit sports wagering as defined in [section 99F.9](#), and from the wagering area of a racetrack enclosure, from the gaming floor, and from the sports wagering area, as defined in [section 99F.1](#), of all other licensed facilities under [this chapter](#) and [chapter 99F](#) as provided in [this subsection](#). The process shall provide that an initial request by a person to be voluntarily excluded shall be for a period of five years or life and any subsequent request following any five-year period shall be for a period of five years or life. The process established shall require that licensees be provided electronic access to names and social security numbers of persons voluntarily excluded through a secured interactive internet site maintained by the commission and information regarding persons voluntarily excluded shall be disseminated to all licensees under [this chapter](#), [chapter 99E](#), and [chapter 99F](#). The names, social security numbers, and information regarding persons voluntarily excluded shall be kept confidential unless otherwise ordered by a court or by another person duly authorized to release such information. The process established shall also require a person requesting to be voluntarily excluded be provided information compiled by the department of health and human services on gambling treatment options. The state and any licensee under [this chapter](#), [chapter 99E](#), or [chapter 99F](#) shall not be liable to any

person for any claim which may arise from this process. In addition to any other penalty provided by law, any money or thing of value that has been obtained by, or is owed to, a voluntarily excluded person as a result of wagers made by the person after the person has been voluntarily excluded shall be forfeited by the person and shall be credited to the general fund of the state. The commission shall not initiate any administrative action or impose penalties on a licensee who voluntarily reports to the commission activity described in [section 99D.24, subsection 4, paragraph “c”](#).

24. To require licensees to establish a process with the state for licensees to have electronic access to names and social security numbers of debtors of claimant agencies through a secured interactive internet site maintained by the state.

25. To take any other action as may be reasonable or appropriate to enforce [this chapter](#) and the commission rules.

83 Acts, ch 187, §7; 84 Acts, ch 1265, §3; 84 Acts, ch 1266, §6; 88 Acts, ch 1137, §1; 89 Acts, ch 231, §32; 91 Acts, ch 166, §1; 91 Acts, ch 260, §1205; 94 Acts, ch 1100, §1; 95 Acts, ch 205, §34; 96 Acts, ch 1212, §11; 2004 Acts, ch 1136, §6 – 8; 2008 Acts, ch 1172, §2; 2009 Acts, ch 182, §101; 2011 Acts, ch 111, §1, 2; 2013 Acts, ch 90, §257; 2014 Acts, ch 1033, §1; 2017 Acts, ch 132, §1; 2018 Acts, ch 1099, §1; 2019 Acts, ch 132, §1, 22, 23; 2020 Acts, ch 1063, §50; 2022 Acts, ch 1054, §1; 2022 Acts, ch 1143, §3; 2023 Acts, ch 19, §62

Referred to in [§12.10, 99D.9, 99D.10, 99D.11, 99D.22, 99D.24, 99D.28, 99F.6](#)

For provisions governing authority of a person voluntarily excluded for life from all licensed facilities under [chapters 99D and 99F](#) prior to July 1, 2017, to revoke the exclusion, see [2017 Acts, ch 132, §3](#)

99D.8 Horse or dog racing licenses — applications.

1. A qualifying organization, as defined in section 513(d)(2)(C) of the Internal Revenue Code, as defined in [section 422.3](#), exempt from federal income taxation under sections 501(c)(3), 501(c)(4), or 501(c)(5) of the Internal Revenue Code or a nonprofit corporation organized under the laws of this state, whether or not it is exempt from federal income taxation, which is organized to distribute funds for educational, civic, public, charitable, patriotic, or religious uses, as defined in [section 99B.1](#), or which regularly conducts an agricultural and educational fair or exposition for the promotion of the horse, dog, or other livestock breeding industries of the state, or an agency, instrumentality, or political subdivision of the state, may apply to the commission for a license to conduct horse or dog racing. The application shall be filed with the administrator of the commission at least sixty days before the first day of the horse race or dog race meeting which the organization proposes to conduct, shall specify the day or days when and the exact location where it proposes to conduct racing, and shall be in a form and contain information as the commission prescribes.

2. If any part of the net income of a licensee is determined to be unrelated business taxable income as defined in sections 511 through 514 of the Internal Revenue Code, or is otherwise taxable, the licensee shall be required to distribute such amount to political subdivisions in the state and organizations described in section 501(c)(3) of the Internal Revenue Code in the county in which the licensee operates.

3. An organization which meets the requirements of [this section](#), as amended, on or before July 1, 1988, shall be considered to have met the requirements of [this section](#) on the date that its initial application was originally filed.

83 Acts, ch 187, §8; 88 Acts, ch 1243, §1; 95 Acts, ch 176, §1; 2015 Acts, ch 99, §50; 2017 Acts, ch 54, §76

Referred to in [§99D.9, 99D.10](#)

99D.8A Requirements of applicant — penalty — consent to search.

1. A person shall not be issued a license to conduct races under [this chapter](#) or an occupational license unless the person has completed and signed an application on the form prescribed and published by the commission. The application shall state the full name, social security number, residence, date of birth and other personal identifying information of the applicant that the commission deems necessary. The application shall state whether the applicant has any of the following:

- a. A record of conviction of a felony.

- b. An addiction to alcohol or a controlled substance.
 - c. A history of mental illness or repeated acts of violence.
2. An applicant shall submit pictures, fingerprints, and descriptions of physical characteristics to the commission in the manner prescribed on the application forms. The fingerprints may be submitted to the federal bureau of investigation by the department of public safety through the state criminal history repository for the purpose of a national criminal history check.
 3. The commission shall charge the applicant a fee set by the department of public safety, division of criminal investigation, to defray the costs associated with the search and classification of fingerprints required in [subsection 2](#). This fee is in addition to any other license fee charged by the commission.
 4. A person who knowingly makes a false statement on the application is guilty of an aggravated misdemeanor.
 5. The licensee or a holder of an occupational license shall consent to agents of the division of criminal investigation of the department of public safety or commission employees designated by the administrator of the commission to the search without a warrant of the licensee or holder's person, personal property and effects, and premises which are located within the racetrack enclosure or adjacent facilities under control of the licensee to inspect or investigate for criminal violations of [this chapter](#) or violations of rules adopted by the commission.

[84 Acts, ch 1265, §4](#); [84 Acts, ch 1266, §7](#); [2002 Acts, ch 1044, §5, 11](#); [2003 Acts, ch 108, §29](#); [2005 Acts, ch 35, §31](#)

Referred to in [§99D.6](#), [99D.9](#), [99D.10](#), [99D.11](#)

99D.9 Licenses — terms and conditions — revocation.

1. If the commission is satisfied that its rules and [sections 99D.8 through 99D.25](#) applicable to licensees have been or will be complied with, it may issue a license for a period of not more than three years. The commission may decide which types of racing it will permit. The commission may permit dog racing, horse racing of various types, or both dog and horse racing. However, only quarter horse and thoroughbred racing shall be allowed to be conducted at the horse racetrack located in Polk county. The commission shall decide the number, location, and type of all racetracks licensed under [this chapter](#). The license shall set forth the name of the licensee, the type of license granted, the place where the race meeting is to be held, and the time and number of days during which racing may be conducted by the licensee. The commission shall not approve a license application if any part of the racetrack is to be constructed on prime farmland outside the city limits of an incorporated city. As used in [this subsection](#), “*prime farmland*” means as defined by the United States department of agriculture in [7 C.F.R. §657.5\(a\)](#). A license is not transferable or assignable. The commission may revoke any license issued for good cause upon reasonable notice and hearing. The commission shall conduct a neighborhood impact study to determine the impact of granting a license on the quality of life in neighborhoods adjacent to the proposed racetrack facility. The applicant for the license shall reimburse the commission for the costs incurred in making the study. A copy of the study shall be retained on file with the commission and shall be a public record. The study shall be completed before the commission may issue a license for the proposed facility.

2. A license shall only be granted to a nonprofit corporation or association upon the express condition that the nonprofit corporation or association shall not, by a lease, contract, understanding, or arrangement of any kind, grant, assign, or turn over to a person the operation of a race meeting licensed under [this section](#) or of the pari-mutuel system of wagering described in [section 99D.11](#). [This section](#) does not prohibit a management contract approved by the commission.

3. A license shall not be granted to a nonprofit corporation if there is substantial evidence that the applicant for a license:

- a. Has been suspended or ruled off a recognized course in another jurisdiction by the racing board or commission of that jurisdiction.

b. Has not demonstrated financial responsibility sufficient to meet adequately the requirements of the enterprise proposed.

c. Is not the true owner of the enterprise proposed.

d. Is not the sole owner, and other persons have ownership in the enterprise which fact has not been disclosed.

e. Is a corporation and ten percent of the stock of the corporation is subject to a contract or option to purchase at any time during the period for which the license is issued unless the contract or option was disclosed to the commission and the commission approved the sale or transfer during the period of the license.

f. Has knowingly made a false statement of a material fact to the commission.

g. Has failed to meet any monetary obligation in connection with a race meeting held in this state.

4. A license shall not be granted to a nonprofit corporation if there is substantial evidence that stockholders or officers of the nonprofit corporation are not of good repute and moral character.

5. A license shall not be granted to a licensee for racing on more than one racetrack at the same time.

6. a. A licensee shall not loan to any person money or any other thing of value for the purpose of permitting that person to wager on any race.

b. A licensee shall not permit a financial institution, vendor, or other person to dispense cash or credit through an electronic or mechanical device including but not limited to a satellite terminal as defined in [section 527.2](#), that is located in the wagering area. However, this paragraph shall not apply to cashless wagering systems where a person accesses a cash account through a mobile application used by the licensee to conduct cashless wagering. The mobile application shall include the statewide telephone number authorized by the department of health and human services to provide problem gambling information and extensive responsible gaming features in addition to those described in [section 99D.7, subsection 23](#).

c. When technologically available, a licensee shall ensure that a person may voluntarily bar the person's access to receive cash or credit from a financial institution, vendor, or other person through an electronic or mechanical device including but not limited to a satellite terminal as defined in [section 527.2](#), that is located on the licensed premises.

7. Upon a violation of any of the conditions listed in [this section](#), the commission shall immediately revoke the license.

8. The commission shall require that a licensee utilize Iowa resources, goods, and services in the operation of a racetrack enclosure. The commission shall develop standards to assure that a substantial amount of all resources and goods used in the operation of a racetrack enclosure emanate from and are made in Iowa and that a substantial amount of all services and entertainment are provided by Iowans.

[83 Acts, ch 187, §9; 84 Acts, ch 1266, §8 – 10; 94 Acts, ch 1021, §2; 2004 Acts, ch 1136, §9 – 11; 2011 Acts, ch 111, §3; 2022 Acts, ch 1143, §1; 2023 Acts, ch 19, §63](#)

Referred to in [§99D.2, 99D.3, 99D.9C, 99D.9D, 99D.10, 99D.14](#)

99D.9A Dog racetrack licensure — discontinuance of live racing requirement — fees.

1. Upon written notification to the commission by September 1, 2014, and agreement to comply with the requirements of [this section](#), a licensee authorized to conduct pari-mutuel wagering at a dog racetrack and to conduct gambling games pursuant to [section 99F.6](#) as of January 1, 2014, may, as of the live racing cessation date, continue to maintain a license as provided in [this section](#) for purposes of conducting gambling games and pari-mutuel wagering on simultaneously telecast horse or dog races without the requirement of scheduling performances of live races at the dog racetrack. For purposes of [this section](#), the “live racing cessation date” is October 31, 2014, for the licensee of the pari-mutuel dog racetrack located in Dubuque county, and December 31, 2015, for the licensee of the pari-mutuel dog racetrack located in Pottawattamie county.

2. Upon the live racing cessation date of a licensee, all of the following shall occur:

a. The commission shall determine what portion of the unexpended moneys in the dog

racing promotion fund created in [section 99D.12](#) is attributable to the licensee as of the live racing cessation date of the licensee and shall transfer those moneys to the Iowa greyhound pari-mutuel racing fund created in [section 99D.9B](#).

b. Any agreement which was approved by the commission for dog purse supplement payments for live racing by the licensee shall be terminated.

c. Within thirty days after the live racing cessation date of the licensee of the pari-mutuel dog racetrack located in Pottawattamie county, the kennel owners and operators and greyhound owners shall, at their expense, remove all of their property including the greyhounds from the racetrack.

3. a. To maintain a license under [this chapter](#) to conduct gambling games and pari-mutuel wagering on simultaneously telecast horse or dog races without the requirement of scheduling performances of live dog races, or to maintain a license under [section 99F.4A, subsection 9](#), the licensee as of the date a payment under [this subsection](#) is due shall ensure payment of the live racing cessation fee to the commission for deposit in the Iowa greyhound pari-mutuel racing fund created in [section 99D.9B](#), as required by [this subsection](#).

b. Except as provided in paragraph “c”, the live racing cessation fee shall be paid and determined as follows:

(1) For the licensee authorized to conduct gambling games in Dubuque county pursuant to a license issued pursuant to [section 99F.4A, subsection 9](#), the payment of one million dollars by January 1, 2015, and one million dollars each succeeding January 1 for six consecutive calendar years.

(2) For the pari-mutuel dog racetrack located in Pottawattamie county, the payment of nine million two hundred eighty-five thousand eight hundred dollars by January 1, 2016, and nine million two hundred eighty-five thousand seven hundred dollars each succeeding January 1 for six consecutive calendar years. Payments required under this subparagraph shall be made by the manager of the pari-mutuel racetrack located in Pottawattamie county for deposit in the Iowa greyhound pari-mutuel racing fund created in [section 99D.9B](#), as required by [this subsection](#).

c. (1) If the licensee at the pari-mutuel racetrack located in Pottawattamie county as of January 1, 2014, fails to have the licensee’s license renewed, the licensee’s obligation and any obligation of the manager of the racetrack to make any further payments as provided in [this subsection](#) shall cease. However, the commission shall not issue a license to a subsequent or successor licensee at the pari-mutuel racetrack located in Pottawattamie county until all remaining unpaid installments of the live racing cessation fee required under [this subsection](#) are paid.

(2) If the licensee issued a license under [section 99F.4A, subsection 9](#), fails to have the license renewed, the licensee’s obligation to make any further payments as provided in [this subsection](#) shall cease. However, the commission shall not issue a license to a subsequent or successor licensee under [section 99F.4A, subsection 9](#), until all remaining installments of the live racing cessation fee required under [this subsection](#) are paid.

(3) If the manager of the pari-mutuel racetrack located in Pottawattamie county as of January 1, 2014, pursuant to a management contract with the licensee, ceases to be the manager of the racetrack, the licensee’s obligation and any obligation of the manager of the racetrack to make any further payments as provided in [this subsection](#) shall cease. However, the commission shall not approve a management contract with the licensee for a subsequent or successor manager until all remaining installments of the live racing cessation fee required under [this subsection](#) are paid.

4. Upon written notification to the commission by the licensee of the pari-mutuel dog racetrack located in Dubuque county as provided in [subsection 1](#), all of the following shall occur:

a. The licensee shall be authorized to maintain a license issued to the licensee by the commission to conduct gambling games pursuant to the requirements of [section 99F.4A, subsection 9](#).

b. The licensee shall maintain a license under [this chapter](#) until December 31, 2014. The licensee shall, until the live racing cessation date of the licensee, conduct pari-mutuel wagering on live dog races and shall, until December 31, 2014, be authorized

to simultaneously telecast horse or dog races as provided by an agreement to conduct live racing during the 2014 calendar year.

5. a. The licensee of the pari-mutuel dog racetrack located in Pottawattamie county who is not required to conduct live racing pursuant to the requirements of [this section](#) shall do all of the following:

(1) Remain licensed under [this chapter](#) and pursuant to [section 99F.4A](#) as a pari-mutuel dog racetrack licensed to conduct gambling games and pari-mutuel wagering on simultaneously telecast horse or dog races.

(2) Continue to pay the annual license fee and regulatory fee as a pari-mutuel dog racetrack licensed to conduct gambling games pursuant to the requirements of [section 99F.4A](#).

(3) Comply with all other applicable requirements of [this chapter](#) and [chapter 99F](#) except for those requirements concerning live dog racing.

b. However, nothing in [this chapter](#) shall require the licensee of the pari-mutuel dog racetrack in Pottawattamie county to conduct pari-mutuel wagering on simultaneously telecast horse or dog races to remain licensed under [this chapter](#) or to conduct gambling games without the requirement of scheduling performances of live dog races.

6. a. Compliance with the requirements of [this section](#) and the establishment of the Iowa greyhound pari-mutuel racing fund in [section 99D.9B](#) shall constitute a full satisfaction of and discharge from any and all liability or potential liability of a licensee authorized to conduct gambling games in Dubuque county pursuant to [section 99F.4A, subsection 9](#), the licensee of the pari-mutuel dog racetrack located in Pottawattamie county, and the Iowa greyhound association which may arise out of either of the following:

(1) The discontinuance of live dog racing or simulcasting.

(2) Distributions made or not made from the Iowa greyhound pari-mutuel racing fund created in [section 99D.9B](#) or the purse escrow fund created in the arbitration decision issued in December 1995 with regard to the purse supplements to be paid at the pari-mutuel dog racetrack in Pottawattamie county.

b. Compliance with the requirements of [this section](#) and establishment of the Iowa greyhound pari-mutuel racing fund in [section 99D.9B](#) shall immunize a licensee authorized to conduct gambling games in Dubuque county pursuant to a license issued pursuant to [section 99F.4A, subsection 9](#), the licensee of the pari-mutuel dog racetrack located in Pottawattamie county, and the Iowa greyhound association and their respective officers, directors, employees, board members, and agents against claims of liability as described in paragraph “a” made by any person or entity.

[2014 Acts, ch 1126, §2](#)

Referred to in [§99D.2, 99D.9, 99D.9B, 99D.9C, 99D.10, 99D.11, 99F.1, 99F.4A, 99F.6](#)

99D.9B Iowa greyhound pari-mutuel racing fund.

1. An Iowa greyhound pari-mutuel racing fund is created in the state treasury under the control of the racing and gaming commission.

2. The fund shall consist of all of the following:

a. Moneys in the dog racing promotion fund created in [section 99D.12](#) that were deposited in the fund from a dog racetrack licensee that is no longer required to conduct live dog races pursuant to [section 99D.9A](#).

b. Moneys deposited in the fund from the live racing cessation fee established in [section 99D.9A](#).

3. a. Fifty percent of the moneys deposited in the fund shall first be distributed to the Iowa greyhound association for deposit in the escrow account established by the Iowa greyhound association pursuant to the requirements of [section 99D.9C](#), provided the Iowa greyhound association is licensed under [this chapter](#) to conduct pari-mutuel wagering on live dog races or simultaneously telecast horse or dog races pursuant to the requirements of [section 99D.9C](#), by December 15, 2014.

b. Moneys remaining in the fund following distribution to the Iowa greyhound association as provided in [this subsection](#) shall be under the sole control of the commission. The commission shall determine the method by which moneys remaining in the fund will be

distributed, provided that the commission shall distribute a portion of the moneys in the fund to no-kill animal adoption agencies to facilitate care for and adoption of greyhounds no longer racing as a result of the discontinuance of live racing. The commission may consider objective evidence, including purse payments to greyhound industry participants for the period beginning January 1, 2010, and ending December 31, 2014, in determining the method of distribution. The commission may hire an expert to assist in the task of making distributions from the fund. The commission may distribute moneys from the fund to greyhound industry participants and to kennel owners and operators and greyhound owners for costs incurred in removing property from the dog racetrack located in Pottawattamie county as required by [section 99D.9A, subsection 2](#), paragraph “c”. Prior to adoption of any formula for distribution, the commission shall allow for input from greyhound industry participants. The distribution decisions of the commission shall be final. The commission may use moneys in the fund to pay its direct and indirect administrative expenses incurred in administering the fund, including the hiring of experts to assist in the commission’s distribution determination. Members of the commission, employees of the commission, and any experts hired by the commission pursuant to [this section](#) shall be held harmless against any claim of liability made by any person arising out of the distribution of moneys from the fund by the commission.

4. [Section 8.33](#) does not apply to moneys in the fund. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys deposited in the fund shall be credited to the fund.

5. The commission shall adopt rules to administer [this section](#).

[2014 Acts, ch 1126, §3; 2015 Acts, ch 29, §19](#)

Referred to in [§99D.9, 99D.9A, 99D.9C, 99D.10](#)

99D.9C Alternative dog racetrack and simulcasting licensure — live racing — lease agreement with gambling games licensee.

1. a. The Iowa greyhound association may submit an application to the commission for a license under [this chapter](#) to conduct pari-mutuel wagering on live dog races or simultaneously telecast horse or dog races, subject to the requirements of [this section](#). Unless inconsistent with the requirements of this section, the Iowa greyhound association shall comply with all requirements for submitting an application for a license under [this chapter](#). If an application is submitted by October 1, 2014, the commission shall, subject to the requirements of [section 99D.9](#) and [this section](#), determine whether to approve the application for a license by December 1, 2014.

b. If the commission approves an application for a license submitted by the Iowa greyhound association pursuant to [section 99D.9](#) and [this section](#), the terms and conditions of the license shall, notwithstanding any provision of law to the contrary, authorize the licensee to conduct pari-mutuel wagering on live dog races or simultaneously telecast horse or dog races conducted at a racetrack enclosure located in Dubuque county subject to the requirements of a lease agreement entered into pursuant to the requirements of [this section](#). The terms and conditions of the license shall also authorize the licensee to conduct pari-mutuel wagering on simultaneously telecast horse or dog races at the facility of a licensee authorized to conduct gambling games under [chapter 99F](#) pursuant to an agreement with the licensee of that facility as authorized by [this section](#). A licensee issued a license pursuant to [this section](#) shall comply with all requirements of [this chapter](#) applicable to licensees unless otherwise inconsistent with the provisions of [this section](#).

2. a. The Iowa greyhound association shall establish an escrow fund under its control for the receipt and deposit of moneys transferred to the Iowa greyhound association pursuant to [section 99D.9B](#). The Iowa greyhound association shall use moneys in the escrow fund to pay all reasonable and necessary costs and fees associated with conducting live racing and pari-mutuel wagering on simultaneously telecast horse or dog races, including but not limited to regulatory and administrative fees, capital improvements, purse supplements, operational costs, obligations pursuant to any purse supplement agreement as amended and approved by the commission, payment of rents for leased facilities and costs of maintenance of leased facilities, payment for products and services provided by the licensee authorized

to conduct gambling games in Dubuque county pursuant to [section 99F.4A, subsection 9](#), costs to maintain the license, costs for posting a bond as required by [section 99D.10](#), and administrative costs and fees incurred in connection with the pursuit of the continuation of live greyhound racing.

b. However, if the Iowa greyhound association is not licensed to conduct pari-mutuel wagering on live dog races or simultaneously telecast horse or dog races subject to the requirements of [this section](#) or fails to conduct live dog racing during any calendar year beginning on or after January 1, 2015, the Iowa greyhound association shall transfer any unused moneys in the escrow fund to the commission for deposit in the Iowa greyhound pari-mutuel racing fund created in [section 99D.9B](#) and shall receive no further distributions from the fund created in [section 99D.9B](#). The commission shall require that an annual audit be conducted and submitted to the commission, in a manner determined by the commission, concerning the operation of the escrow fund.

3. a. A license issued pursuant to [this section](#) shall authorize the licensee to enter into an agreement with any licensee authorized to operate an excursion gambling boat or gambling structure under [chapter 99F](#) to conduct, without the requirement to conduct live horse or dog races at the facility, pari-mutuel wagering on simultaneously telecast horse or dog races at the facility of the licensee authorized to operate an excursion gambling boat or gambling structure under [chapter 99F](#).

b. If a lease agreement entered into with the city of Dubuque pursuant to [this section](#) is terminated or is not renewed or extended, the licensee authorized to conduct gambling games in Dubuque county pursuant to a license issued pursuant to [section 99F.4A, subsection 9](#), shall be authorized to enter into an agreement with a licensee issued a license pursuant to [this section](#) to conduct pari-mutuel wagering on simultaneously telecast horse or dog races at the facility of the licensee as provided by [this subsection](#).

c. If the Iowa greyhound association is licensed as provided in [this section](#) and ceases to conduct live dog racing, all revenue generated from an agreement to simultaneously telecast horse or dog races as authorized by [this subsection](#) shall be used solely for the purpose of supplementing Iowa-whelped dogs racing at out-of-state facilities.

4. a. Upon written request by the Iowa greyhound association to the city of Dubuque by July 8, 2014, the city of Dubuque shall be authorized to enter into an initial five-year lease agreement with a single option to renew the lease for an additional five years with the Iowa greyhound association beginning January 1, 2015, to permit the Iowa greyhound association to conduct pari-mutuel wagering on live dog races and simultaneously telecast horse or dog races at the dog racetrack located in Dubuque county. The lease agreement shall be contingent upon the Iowa greyhound association obtaining a license pursuant to the requirements of [this section](#).

b. The lease agreement shall provide for the following:

(1) An annual lease payment of one dollar during the initial five-year lease for the racetrack enclosure, which includes the racetrack, kennels, grandstand, and space for a new simulcast facility, and one five-year renewal of the lease agreement at a fair market rental rate.

(2) Employees at the racetrack enclosure involved in pari-mutuel wagering as of the live racing cessation date, as provided in [section 99D.9A](#), shall be offered employment by the Iowa greyhound association at the racetrack.

(3) Existing collective bargaining agreements concerning employees at the racetrack shall be honored.

(4) Live dog racing requirements. The requirements shall provide that the Iowa greyhound association conduct, for calendar year 2015, no fewer than sixty live race days with nine live races per day during the racing season, and for calendar year 2016 and subsequent calendar years covered by the lease agreement, no fewer than ninety-five live race days with nine live races per day during each racing season. However, upon mutual agreement by the parties subject to approval by the commission, the number of race days for one or more live racing seasons may be reduced so long as the Iowa greyhound association conducts a minimum number of live races and racing days during that season.

(5) Termination provisions, to include termination of the agreement on January 1 of the

year following the calendar year in which live dog racing as required by the agreement was not conducted by the Iowa greyhound association.

(6) Terms concerning contracts entered into for the conduct of pari-mutuel wagering at the racetrack prior to the live racing cessation date, as provided in [section 99D.9A](#), at the racetrack.

(7) Any other related items concerning the conduct of pari-mutuel wagering at the dog racetrack and the operation of the dog racetrack facility.

c. (1) If the parties are unable to reach agreement on any of the terms of the initial lease agreement by October 1, 2014, or to reach agreement on the fair market rental rate for purposes of the one five-year lease renewal by June 30, 2018, if the Iowa greyhound association requests arbitration concerning the renewal by June 18, 2018, the disputed terms of the lease shall be determined by binding arbitration in accordance with the rules of the American arbitration association as of the date for arbitration. A request for arbitration shall be in writing and a copy of the request shall be delivered to the other party. The parties shall each select one arbitrator and the two arbitrators shall choose a third arbitrator to complete the three-person arbitration panel. Each party shall deliver its final offer on each of the disputed items to the other party within fourteen days after the request for arbitration. After consultation with the parties, the arbitrators shall set a time and place for an arbitration hearing. The parties may continue to negotiate all offers until an agreement is reached or a decision is rendered by the arbitrators. For purposes of determining the fair market rental rate for purposes of the one five-year lease renewal, either party may argue, and present arguments and evidence, that the renewal lease rental rate should be based upon the market value of similarly situated undeveloped land, or upon its use as a greyhound track. The submission of the disputed items to the arbitrators shall be limited to those items upon which the parties have not reached agreement. However, the arbitrators shall have no authority to extend the term of the lease agreement beyond the initial five-year term or the one five-year renewal.

(2) The arbitrators shall render a decision within fifteen days after the hearing. The arbitrators shall give written explanation for the decision and the decision of the arbitrators shall be final and binding on the parties, and any decision of the arbitrators may be entered in any court having competent jurisdiction. The decision by the arbitrators and the items agreed upon by the parties shall be deemed to be the lease agreement between the parties and such final lease agreement shall not be subject to the approval of the governing body of the city of Dubuque, the Iowa greyhound association, the commission, or any other government body. Each party to the arbitration shall bear its own expenses, including attorney fees, and the parties shall share equally the filing and other administrative fees of the American arbitration association and the expenses of the arbitrators.

[2014 Acts, ch 1126, §4](#)

Referred to in [§99D.9](#), [99D.9B](#), [99D.10](#), [99D.11](#), [99D.20](#)

99D.9D Alternative simulcasting licensure — horse and dog races.

1. An entity that has entered into an agreement with the Iowa horsemen's benevolent and protective association for source market fees related to simultaneously telecast horse or dog races may submit an application to the commission for a license under [this chapter](#) to conduct pari-mutuel wagering on simultaneously telecast horse or dog races, subject to the requirements of [this section](#). Unless inconsistent with the requirements of [this section](#), an entity submitting an application for a license under [this section](#) shall comply with all requirements for submitting an application for a license under [this chapter](#).

2. If an application for a license under [subsection 1](#) is approved by the commission pursuant to the requirements of [this section](#) and [section 99D.9](#), the entity submitting the application shall be granted a license under [this section](#) to conduct pari-mutuel wagering on simultaneously telecast horse or dog races conducted at a facility of a licensee authorized to conduct gambling games under [chapter 99D](#) or [chapter 99F](#) pursuant to an agreement with the licensee of that facility as authorized by [this section](#). A licensee issued a license pursuant to [this section](#) shall comply with all requirements of [this chapter](#) applicable to licensees unless otherwise inconsistent with the provisions of [this section](#).

3. A license issued pursuant to [this section](#) shall authorize the licensee to enter into an agreement with any licensee authorized to operate an excursion gambling boat or gambling structure under [chapter 99F](#) to conduct, without the requirement to conduct live horse or dog races at the facility, pari-mutuel wagering on simultaneously telecast horse or dog races at the facility of the licensee authorized to operate an excursion gambling boat or gambling structure under [chapter 99F](#).

4. The commission shall establish an annual license fee and regulatory fee for any entity issued a license under [this section](#) to conduct pari-mutuel wagering on simultaneously telecast horse or dog races as authorized by [this section](#). The commission shall not impose any other fees for simultaneously telecast horse or dog races conducted by any licensee under [this section](#).

5. The commission shall require that an annual audit be conducted and submitted to the commission, in a manner determined by the commission, concerning the operation of the simultaneously telecast horse or dog races by any licensee under [this section](#).

[2022 Acts, ch 1143, §20](#)

Referred to in [§99D.9, 99D.10, 99D.15](#)

99D.10 Bond of licensee.

A licensee licensed under [section 99D.9](#), including a licensee issued a license subject to the requirements of [section 99D.9C](#), shall post a bond to the state of Iowa before the license is issued in a sum as the commission shall fix, with sureties to be approved by the commission. The bond shall be used to guarantee that the licensee faithfully makes the payments, keeps its books and records and makes reports, and conducts its racing in conformity with [sections 99D.6 through 99D.23](#) and the rules adopted by the commission. The bond shall not be canceled by a surety on less than thirty days' notice in writing to the commission. If a bond is canceled and the licensee fails to file a new bond with the commission in the required amount on or before the effective date of cancellation, the licensee's license shall be revoked. The total and aggregate liability of the surety on the bond is limited to the amount specified in the bond.

[83 Acts, ch 187, §10; 2014 Acts, ch 1126, §5](#)

Referred to in [§99D.9, 99D.9C](#)

99D.11 Pari-mutuel wagering — advance deposit wagering — televising races — age restrictions.

1. Except as permitted in [this section](#), the licensee shall permit no form of wagering on the results of the races.

2. Licensees shall only permit the pari-mutuel or certificate method of wagering, or the advance deposit method of wagering, as defined in [this section](#).

3. The licensee may receive wagers of money only from a person present in a licensed racetrack enclosure on a horse or dog in the race selected by the person making the wager to finish first in the race or from a person engaging in advance deposit wagering as defined in [this section](#). The person wagering shall acquire an interest in the total money wagered on all horses or dogs in the race as first winners in proportion to the amount of money wagered by the person.

4. The licensee shall issue to each person wagering a certificate on which shall be shown the number of the race, the amount wagered, and the number or name of the horse or dog selected as first winner.

5. As each race is run the licensee shall deduct sixteen percent from the total sum wagered on all horses or dogs as first winners. However, the commission shall authorize at the request of the licensee a deduction of a higher or lower percentage of the total sum wagered not to exceed eighteen percent and the additional deduction shall be retained by the licensee. The balance, after deducting breakage, shall be paid to the holders of certificates on the winning horse or dog in the proportion that the amount wagered by each certificate holder bears to the total amount wagered on all horses or dogs in the race as first winners. The licensee may pay a larger amount if approved by the commission. The licensee shall likewise receive other wagers on horses or dogs in places or combinations the commission may authorize.

The method, procedure, and the authority and right of the licensee, as well as the deduction allowed to the licensee, shall be as specified with respect to wagers upon horses or dogs selected to run first. However, the commission shall authorize at the request of the licensee a deduction of a higher or lower percent of the total sum wagered not to exceed twenty-four percent on multiple or exotic wagering involving not more than two horses or dogs. The deduction authorized above twenty percent on the multiple or exotic wagering involving not more than two dogs or horses shall be retained by the licensee. For exotic wagering involving three or more horses or dogs, the commission shall authorize at the request of the licensee a deduction of a higher or lower percent of the total sum wagered not to exceed twenty-five percent on the exotic wagers. The additional deduction authorized above twenty-two percent on the multiple or exotic wagers involving more than two horses or dogs shall be retained by the licensee. One percent of the exotic wagers on three or more horses or dogs shall be distributed as provided in [section 99D.12](#).

6. a. All wagering shall be conducted within the racetrack enclosure where the licensed race is held, except as provided in paragraphs “b” and “c”.

b. (1) The commission may authorize the licensee to simultaneously telecast within the racetrack enclosure or at the facility of a licensee authorized to operate an excursion gambling boat or gambling structure under [chapter 99F](#), for the purpose of pari-mutuel wagering, a horse or dog race licensed by the racing authority of another state or foreign jurisdiction. It is the responsibility of each licensee to obtain the consent of appropriate racing officials in other states as required by the federal Interstate Horseracing Act of 1978, 15 U.S.C. §3001 – 3007, to televise races for the purpose of conducting pari-mutuel wagering.

(2) A licensee may also obtain the permission of a person licensed by the commission to conduct horse or dog races in this state to televise races conducted by that person for the purpose of conducting pari-mutuel wagering. However, arrangements made by a licensee to televise any race for the purpose of conducting pari-mutuel wagering are subject to the approval of the commission, and the commission shall select the races to be televised. The races selected by the commission shall be the same for all licensees approved by the commission to televise races for the purpose of conducting pari-mutuel wagering. Except for a licensee that is not obligated to schedule performances of live races pursuant to [section 99D.9A](#), or a licensee issued a license subject to the requirements of [section 99D.9C](#), the commission shall not authorize the simultaneous telecast or televising of and a licensee shall not simultaneously telecast or televise any horse or dog race for the purpose of conducting pari-mutuel wagering unless the simultaneous telecast or televising is done at the racetrack of a licensee that schedules no less than sixty performances of nine live races each day of the season.

(3) For purposes of the taxes imposed under [this chapter](#), races televised by a licensee for purposes of pari-mutuel wagering shall be treated as if the races were held by the licensee. Notwithstanding any contrary provision in [this chapter](#), the commission may allow a licensee to adopt the same deductions as those of the pari-mutuel racetrack from which the races are being simultaneously telecast.

c. (1) The commission shall authorize the licensee of the horse racetrack located in Polk county to conduct advance deposit wagering. An advance deposit wager may be placed in person at a licensed racetrack enclosure, or from any other location via a telephone-type device or any other electronic means. The commission may also issue an advance deposit wagering operator license to an entity who complies with subparagraph (3) and [section 99D.8A](#).

(2) For the purposes of [this section](#), “*advance deposit wagering*” means a method of pari-mutuel wagering in which an individual may establish an account, deposit money into the account, and use the account balance to pay for pari-mutuel wagering. Of the net revenue, less all taxes paid and expenses directly related to account deposit wagering incurred by the licensee of the horse racetrack located in Polk county, received through advance deposit wagering, fifty percent shall be designated for the horse purses created pursuant to [section 99D.7, subsection 5](#), and fifty percent shall be designated for the licensee for the pari-mutuel horse racetrack located in Polk county.

(3) Before granting an advance deposit wagering operator license to an entity other

than the licensee of the horse racetrack located in Polk county, the commission shall enter into an agreement with the licensee of the horse racetrack located in Polk county, the Iowa horsemen's benevolent and protective association, and the prospective advance deposit wagering operator for the purpose of determining the payment of statewide source market fees and the host fees to be paid on all races subject to advance deposit wagering. The commission shall establish the term of such an advance deposit wagering operator license. Such an advance deposit wagering operator licensee shall accept wagers on live races conducted at the horse racetrack in Polk county from all of its account holders if it accepts wagers from any residents of this state.

(4) An unlicensed advance deposit wagering operator or an individual taking or receiving wagers from residents of this state is guilty of a class "D" felony.

(5) For the purposes of this paragraph "c", "*advance deposit wagering operator*" means an advance deposit wagering operator licensed by the commission who has entered into an agreement with the licensee of the horse racetrack in Polk county and the Iowa horsemen's benevolent and protective association to provide advance deposit wagering.

7. A person under the age of twenty-one years shall not make or attempt to make a pari-mutuel wager. A person who violates [this subsection](#) commits a scheduled violation under [section 805.8C, subsection 5, paragraph "a"](#).

83 Acts, ch 187, §11; 84 Acts, ch 1266, §11 – 13; 89 Acts, ch 216, §1; 90 Acts, ch 1175, §5; 90 Acts, ch 1261, §31; 91 Acts, ch 166, §2, 3; 92 Acts, ch 1163, §23; 92 Acts, ch 1203, §3, 4; 92 Acts, ch 1207, §1; 94 Acts, ch 1021, §3, 4; 96 Acts, ch 1211, §32; 2004 Acts, ch 1136, §12; 2005 Acts, ch 3, §25; 2009 Acts, ch 88, §1; 2011 Acts, ch 111, §4 – 7; 2012 Acts, ch 1023, §19, 20; 2014 Acts, ch 1033, §2; 2014 Acts, ch 1126, §6; 2021 Acts, ch 156, §1

Referred to in §99D.2, 99D.7, 99D.9, 99D.10, 99D.13, 99D.16, 99D.24, 99F.4, 805.8C(5)(a)

99D.12 Breakage.

A licensee shall deduct the breakage from the pari-mutuel pool which shall be distributed to the breeders of Iowa-foaled horses and Iowa-whelped dogs in the manner described in [section 99D.22](#). The remainder of the breakage shall be distributed as follows:

1. In horse races the breakage shall be retained by the licensee to supplement purses for races restricted to Iowa-foaled horses or to supplement purses won by Iowa-foaled horses by finishing first, second, third, or fourth in any other race. The purse supplements will be paid in proportion to the purse structure of the race. Two percent shall be deposited by the commission into a special fund to be known as the horse racing promotion fund. The commission each year shall approve a nonprofit organization to use moneys in the fund for research, education, and marketing of horse racing in the state, including public relations, and other promotional techniques. The nonprofit organization shall not engage in political activity. It shall be a condition of the allocation of funds that any organization receiving funds shall not expend the funds on political activity or on any attempt to influence legislation.

2. In dog races the breakage shall be distributed as follows:

a. Seventy-three percent shall be retained by the licensee to supplement purses for races won by Iowa-whelped dogs as provided in [section 99D.22](#).

b. Twenty-five percent shall be retained by the licensee and shall be put into a stake race for Iowa-whelped dogs. An amount equal to twelve percent of the winner's share shall be set aside and distributed to the breeder of the winning greyhound in accordance with [section 99D.22](#) and the remainder shall be apportioned as purse moneys for the stake race. All dogs racing in the stake race must have run in at least twelve races during the current racing season at the track sponsoring the stake race to qualify to participate.

c. Two percent shall be deposited by the commission into a special fund to be known as the dog racing promotion fund. The commission each year shall approve a nonprofit organization to use moneys in the fund for research, education, and marketing of dog racing in the state, including public relations, and other promotional techniques. The nonprofit organization shall not engage in political activity. It shall be a condition of the allocation of funds that any

organization receiving funds shall not expend the funds on political activity or on any attempt to influence legislation.

83 Acts, ch 187, §12; 84 Acts, ch 1266, §14; 88 Acts, ch 1137, §2; 89 Acts, ch 216, §2, 3; 91 Acts, ch 166, §4; 92 Acts, ch 1203, §6

Referred to in §99D.9, 99D.9A, 99D.9B, 99D.10, 99D.11, 99D.22

99D.13 Unclaimed winnings — appropriation.

1. Winnings provided in [section 99D.11](#) not claimed by the person who placed the wager within sixty days of the close of the racing meet during which the wager was placed shall be forfeited.

2. Winnings from each racetrack forfeited under [subsection 1](#) shall escheat to the state and to the extent appropriated by the general assembly shall be used by the department of agriculture and land stewardship to administer [section 99D.22](#). The remainder shall be paid over to the commission to pay all or part of the cost of drug testing at the tracks. To the extent the remainder paid over to the commission, less the cost of drug testing, is from unclaimed winnings from harness race meetings, the remainder shall be used as provided in [subsection 3](#). To the extent the remainder paid to the commission, less the cost of drug testing, is from unclaimed winnings from licensed dog tracks, the commission shall remit annually five thousand dollars, or an equal portion of that amount, to each licensed dog track to carry out the racing dog adoption program pursuant to [section 99D.27](#). To the extent the remainder paid over to the commission, less the cost of drug testing, is from unclaimed winnings from tracks licensed for dog or horse races, the commission, on an annual basis, shall remit one-third of the amount to the treasurer of the city in which the racetrack is located, one-third of the amount to the treasurer of the county in which the racetrack is located, and one-third of the amount to the racetrack from which it was forfeited. If the racetrack is not located in a city, then one-third shall be deposited as provided in [chapter 556](#). The amount received by the racetrack under [this subsection](#) shall be used only for retiring the debt of the racetrack facilities and for capital improvements to the racetrack facilities.

3. *a.* One hundred twenty thousand dollars of winnings from wagers placed at harness race meetings forfeited under [subsection 1](#) in a calendar year that escheat to the state and are paid over to the commission are appropriated to the racing commission for the fiscal year beginning in that calendar year to be used as follows:

(1) Eighty percent of the amount appropriated shall be allocated to qualified harness racing tracks, to be used by the tracks to supplement the purses for those harness races in which only Iowa-bred or owned horses may run. However, beginning with the allocation of the appropriation made for the fiscal year beginning July 1, 1992, the races for which the purses are to be supplemented under this paragraph shall be those in which only Iowa-bred two-year and three-year olds may run. In addition, the races must be held under the control or jurisdiction of the Iowa state fair board, established under [section 173.1](#), or of a fair, as defined under [section 174.1](#).

(2) Twenty percent of the amount appropriated shall be allocated to qualified harness racing tracks, to be used by the tracks for maintenance of and improvements to the tracks. Races held at the tracks must be under the control or jurisdiction of the Iowa state fair board, established under [section 173.1](#), or of a fair, as defined under [section 174.1](#).

(3) For purposes of [this subsection](#), “qualified harness racing track” means a harness racing track that has either held at least one harness race meeting between July 1, 1985, and July 1, 1989, or after July 1, 1989, has applied to and been approved by the racing commission for the allocation of funds under [this subsection](#). The racing commission shall approve an application if the harness racing track has held at least one harness race meeting during the year preceding the year for which the track seeks funds under [this subsection](#).

b. Notwithstanding [section 8.33](#), unencumbered or unobligated funds remaining on June

30 of the fiscal year for which the funds were appropriated shall not revert but shall be available for expenditure for the following fiscal year for the purposes of [this subsection](#).

[83 Acts, ch 187, §13](#); [86 Acts, ch 1246, §509](#); [89 Acts, ch 216, §4, 5](#); [90 Acts, ch 1233, §5](#); [90 Acts, ch 1261, §32](#); [91 Acts, ch 166, §5](#); [2004 Acts, ch 1019, §4](#); [2005 Acts, ch 3, §26](#); [2005 Acts, ch 179, §113, 114](#); [2008 Acts, ch 1032, §201](#)

Referred to in [§99D.9, 99D.10](#)

99D.14 Race meetings — tax — fees — tax exemption.

1. A licensee under [section 99D.9](#) shall pay the tax imposed by [section 99D.15](#).

2. *a.* (1) A licensee shall pay a regulatory fee to be charged as provided in [this section](#). In determining the regulatory fee to be charged as provided under [this section](#), the commission shall use the amount appropriated to the commission plus the cost of salaries for no more than three special agents assigned pursuant to the provisions of [section 80.25A](#), for each racetrack that has not been issued a table games license under [chapter 99F](#) or no more than three special agents assigned pursuant to the provisions of [section 80.25A](#), for each racetrack that has been issued a table games license under [chapter 99F](#), plus any direct and indirect support costs for the division of criminal investigation's duties pursuant to [chapters 99D, 99E, and 99F](#), and [section 80.25A](#), as the basis for determining the amount of revenue to be raised from the regulatory fee.

(2) Indirect support costs under [this section](#) shall be calculated at the same rate used in accordance with the federal office of management and budget cost principles for state, local, and Indian tribal governments that receive a federally approved indirect cost rate.

b. Notwithstanding [section 99D.17](#), the portion of the fee paid pursuant to paragraph “*a*” relating to the costs of special agents plus any direct and indirect support costs for the agents, for the division of criminal investigation's racetrack activities, shall be deposited into the gaming enforcement revolving fund established in [section 80.43](#). However, the department of public safety shall transfer, on an annual basis, the portion of the regulatory fee attributable to the indirect support costs of the special agents to the general fund of the state.

c. Notwithstanding [section 99D.17](#), the portion of the fee paid pursuant to paragraph “*a*” relating to the costs of the commission shall be deposited into the gaming regulatory revolving fund established in [section 99F.20](#).

d. The aggregate amount of the regulatory fee assessed under paragraph “*a*” during each fiscal year shall be reduced by an amount equal to the unexpended moneys from the previous fiscal year that were deposited into the revolving funds established in [sections 80.43 and 99F.20](#) during that previous fiscal year.

e. By January 1, 2015, and by January 1 of every year thereafter, the division of criminal investigation shall provide the co-chairpersons and ranking members of the joint appropriations subcommittee on the justice system, the legislative services agency, and the commission with a report detailing the activities of the division during the previous fiscal year for each racetrack enclosure.

f. The division of criminal investigation shall conduct a review relating to the number of special agents permitted for each racetrack under [this subsection](#) and the activities of such agents. The review shall also include comments from the commission and licensees and be combined with the review conducted under [section 99F.10, subsection 4, paragraph “g”](#). The division of criminal investigation shall file a report detailing the review conducted pursuant to this paragraph with the co-chairpersons and ranking members of the joint appropriations subcommittee on the justice system and the legislative services agency by July 1, 2020.

3. The licensee shall also pay to the commission a licensee fee of two hundred dollars for each racing day of each horse-race or dog-race meeting for which a license has been issued.

4. No other license tax, permit tax, occupation tax, or racing fee, shall be levied, assessed, or collected from a licensee by the state or by a political subdivision, except as provided in [this chapter](#).

5. No other excise tax shall be levied, assessed, or collected from the licensee on horse racing, dog racing, pari-mutuel wagering or admission charges by the state or by a political subdivision, except as provided in [this chapter](#).

6. Real property used in the operation of a racetrack or racetrack enclosure which is

exempt from property taxation under another provision of the law, including being exempt because it is owned by a city, county, state, or charitable or nonprofit entity, may be subject to real property taxation by any taxing district in which the real property used in the operation of the racetrack or racetrack enclosure is located. To subject such real property to taxation, the taxing authority of the taxing district shall pass a resolution imposing the tax and, if the resolution is passed prior to September 1, 1997, shall notify the local assessor and the owner of record of the real property by September 1, 1997, preceding the fiscal year in which the real property taxes are due and payable. The assessed value shall be determined and notice of the assessed value shall be provided to the county auditor by the local assessor by October 15, 1997, and the owner may protest the assessed value to the local board of review by December 1, 1997. For resolutions passed on or after September 1, 1997, the taxing authority shall notify the local assessor and owner of record prior to the next assessment year and the valuation and appeal shall be done in the manner and time as for other valuations. Property taxes due as a result of [this subsection](#) shall be paid to the county treasurer in the manner and time as other property taxes. The county treasurer shall remit the tax revenue to those taxing authorities imposing the property tax under [this subsection](#). Real property subject to tax as provided in [this subsection](#) shall continue to be taxed until such time as the taxing authority of the taxing district repeals the resolution subjecting the property to taxation.

83 Acts, ch 187, §14; 84 Acts, ch 1266, §15, 16; 89 Acts, ch 216, §6; 97 Acts, ch 9, §2; 97 Acts, ch 158, §47; 2000 Acts, ch 1229, §17; 2004 Acts, ch 1136, §13, 14; 2010 Acts, ch 1190, §24; 2011 Acts, ch 127, §46, 89; 2012 Acts, ch 1134, §15, 21; 2013 Acts, ch 139, §48, 49; 2013 Acts, ch 142, §34; 2021 Acts, ch 166, §25; 2024 Acts, ch 1185, §121

Referred to in §12.10, 80.43, 99D.9, 99D.10, 99D.17, 99F.4A, 99F.10, 99F.20
Subsection 2, paragraphs b and c amended

99D.15 Pari-mutuel wagering taxes — rate — credit.

1. A tax of six percent is imposed on the gross sum wagered by the pari-mutuel method at each horse race meeting. The tax imposed by [this subsection](#) shall be paid by the licensee to the commission within ten days after the close of each horse race meeting and shall be distributed as follows:

a. If the racetrack is located in a city, five percent of the gross sum wagered shall be deposited with the commission. One-half of one percent of the gross sum wagered shall be remitted to the treasurer of the city in which the racetrack is located and shall be deposited in the general fund of the city. The remaining one-half of one percent of the gross sum wagered shall be remitted to the treasurer of the county in which the racetrack is located and shall be deposited in the general fund of the county.

b. If the racetrack is located in an unincorporated part of a county, five and one-half percent of the gross sum wagered shall be deposited with the commission. The remaining one-half of one percent of the gross sum wagered shall be remitted to the treasurer of the county in which the racetrack is located and shall be deposited in the general fund of the county.

2. A tax credit of up to five percent of the gross sum wagered per year shall be granted to licensees licensed for horse races and paid into a special fund to be used for debt retirement or operating expenses. However, the tax credit is equal to six percent of the gross sum wagered in a year when the gross sum wagered is less than ninety million dollars. Any portion of the credit not used in a particular year shall be retained by the commission. A tax credit shall first be assessed against any share going to a city, then to the share going to a county, and then to the share going to the state.

3. a. A tax is imposed on the gross sum wagered by the pari-mutuel method at each track licensed for dog races. The tax imposed by [this subsection](#) shall be paid by the licensee to the commission within ten days after the close of the track's racing season. The rate of tax on each track is as follows:

(1) Six percent, if the gross sum wagered in the racing season is fifty-five million dollars or more.

(2) Five percent, if the gross sum wagered in the racing season is thirty million dollars or more but less than fifty-five million dollars.

(3) Four percent, if the gross sum wagered in the racing season is less than thirty million dollars.

b. The tax revenue shall be distributed as follows:

(1) If the racetrack is located in a city, one-half of one percent of the gross sum wagered shall be remitted to the treasurer of the city in which the racetrack is located and shall be deposited in the general fund of the city. One-half of one percent of the gross sum wagered shall be remitted to the treasurer of the county in which the racetrack is located and shall be deposited in the general fund of the county. The remaining amount shall be deposited with the commission.

(2) If the racetrack is located in an unincorporated part of a county, one-half of one percent of the gross sum wagered shall be remitted to the treasurer of the county in which the racetrack is located and shall be deposited in the general fund of the county. The remaining amount shall be deposited with the commission.

c. If the rate of tax imposed under paragraph “a” is six percent, five percent, or four percent, a licensee shall set aside for retiring any debt of the licensee, for capital improvement to the facilities of the licensee, for funding of possible future operating losses, or for charitable giving, the following amount:

(1) If the rate of tax paid by the licensee is six percent, one-sixth of the tax liability by the licensee during the racing season shall be set aside.

(2) If the rate of tax paid by the licensee is five percent, one percent of the gross sum wagered in the racing season shall be set aside.

(3) If the rate of tax paid by the licensee is four percent, two percent of the gross sum wagered in the racing season shall be set aside.

4. A tax is imposed on the gross sum wagered by the pari-mutuel method on horse races and dog races which are simultaneously telecast, in lieu of the taxes imposed pursuant to [subsection 1 or 3](#). The rate of tax is determined as follows:

a. If wagering on simultaneously telecast horse races and dog races is not conducted by a licensee under [section 99D.9D](#), a tax of two percent is imposed on the gross sum wagered by the pari-mutuel method on horse races and dog races which are simultaneously telecast. The tax revenue from simulcast horse races under this paragraph shall be distributed as provided in [subsection 1](#) and the tax revenue from simulcast dog races under this paragraph shall be distributed as provided in [subsection 3](#).

b. If wagering on simultaneously telecast horse races and dog races is conducted by a licensee under [section 99D.9D](#), a tax of two percent is imposed on the gross sum wagered by the pari-mutuel method on horse races and dog races which are simultaneously telecast in excess of twenty-five million dollars in a calendar year. Of the tax revenue collected from simulcast horse races under this paragraph, one-half of one percent of the gross sum wagered shall be remitted to the treasurer of the county in which a horse racetrack is located in this state and licensed under [this chapter](#). The remaining amount of tax revenue shall be deposited with the commission.

83 Acts, ch 187, §15; 84 Acts, ch 1266, §17; 89 Acts, ch 216, §7 – 9; 90 Acts, ch 1261, §33; 91 Acts, ch 166, §6; 91 Acts, ch 268, §427; 92 Acts, ch 1203, §8 – 10; 92 Acts, ch 1207, §2; 94 Acts, ch 1107, §6; 2004 Acts, ch 1136, §15, 16; 2009 Acts, ch 182, §102; 2022 Acts, ch 1143, §21

Referred to in [§99D.9](#), [99D.10](#), [99D.14](#), [99D.17](#)

99D.16 Withholding tax on winnings.

All winnings provided in [section 99D.11](#) are Iowa earned income and are subject to state and federal income tax laws. An amount deducted from winnings for payment of the state tax, pursuant to [section 422.16, subsection 2](#), shall be remitted to the department of revenue on behalf of the individual who won the wager.

87 Acts, ch 214, §1; 92 Acts, 2nd Ex, ch 1001, §233; 2003 Acts, ch 145, §286; 2023 Acts, ch 115, §14

Referred to in [§99D.9](#), [99D.10](#)

99D.17 Use of funds.

Funds received pursuant to [sections 99D.14](#) and [99D.15](#) shall be deposited as provided in [section 8.57, subsection 3](#). These funds shall first be used to the extent appropriated by the general assembly. The commission is subject to the budget requirements of [chapter 8](#) and the applicable auditing requirements and procedures of [chapter 11](#).

[83 Acts, ch 187, §17](#); [90 Acts, ch 1261, §34](#); [91 Acts, ch 260, §1206](#); [92 Acts, ch 1163, §24](#); [93 Acts, ch 131, §2](#); [94 Acts, ch 1107, §33](#); [2013 Acts, ch 142, §35](#); [2024 Acts, ch 1185, §122](#)

Referred to in [§8.57, 99D.7, 99D.9, 99D.10, 99D.14, 99G.39, 123.17](#)

Section amended

99D.18 Reserved.**99D.19 Licensees — records, reports, supervision — confidentiality.**

1. A licensee shall keep its books and records so as to clearly show the following:
 - a. The total number of admissions for each day of operation.
 - b. The total amount of money wagered for each day of operation.
2. The licensee shall furnish to the commission reports and information as the commission may require with respect to its activities. The commission may designate a representative to attend a licensed race meeting, who shall have full access to all places within the enclosure of the meeting and who shall supervise and check the admissions. The compensation of the representative shall be fixed by the commission but shall be paid by the licensee.
3. The records of the commission shall be governed by the provisions of [chapter 22](#), provided that, in addition to records that may be kept confidential pursuant to [section 22.7](#), the following records provided by a licensee to the commission shall be kept confidential, unless otherwise ordered by a court, by the lawful custodian of the records, or by another person duly authorized to release such information:
 - a. Promotional play receipts records.
 - b. Patron and customer records.
 - c. Surveillance records.
 - d. Security reports and network audits.
 - e. Internal control and compliance records.
 - f. Employee records.
 - g. Marketing expenses.
 - h. Supplemental schedules to the certified audit, except for those books and records as described in [subsection 1 of this section](#), that are obtained by the commission in connection with the annual audit under [section 99D.20](#).
 - i. Any information specifically requested for inspection by the commission or a representative of the commission.

[83 Acts, ch 187, §19](#); [2004 Acts, ch 1136, §17](#); [2017 Acts, ch 22, §1](#)

Referred to in [§99D.9, 99D.10](#)

99D.20 Audit of licensee operations.

Within ninety days after the end of each calendar year, the licensee, including a licensee issued a license subject to the requirements of [section 99D.9C](#), shall transmit to the commission an audit of the financial transactions and condition of the licensee's operations conducted under [this chapter](#). Additionally, within ninety days after the end of the licensee's fiscal year, the licensee shall transmit to the commission an audit of the licensee's total racing and gaming operations, including an itemization of all expenses and subsidies. All audits shall be conducted by certified public accountants authorized to practice in the state of Iowa under [chapter 542](#) who are selected by the board of supervisors of the county in which the licensee operates.

[83 Acts, ch 187, §20](#); [2001 Acts, ch 55, §21, 38](#); [2004 Acts, ch 1136, §18](#); [2005 Acts, ch 3, §27](#); [2009 Acts, ch 29, §1, 3](#); [2014 Acts, ch 1126, §7](#)

Referred to in [§99D.9, 99D.10, 99D.19](#)

99D.21 Annual report of commission.

The commission shall make an annual report to the governor, for the period ending December 31 of each year. Included in the report shall be an account of the commission's actions, its financial position and results of operation under [this chapter](#), the practical results attained under [this chapter](#), and any recommendations for legislation which the commission deems advisable.

[83 Acts, ch 187, §21](#); [84 Acts, ch 1266, §19](#)

Referred to in [§99D.9](#), [99D.10](#)

99D.22 Native horses or dogs.

1. *a.* (1) A licensee shall hold at least one race on each racing day limited to Iowa-foaled horses or Iowa-whelped dogs as defined by the department of agriculture and land stewardship using standards consistent with [this section](#). However, if sufficient competition cannot be had among that class of horses or dogs on any day, another race for the day may be substituted.

(2) If Iowa-foaled horses are in a race not limited to Iowa-foaled horses that is not a stakes race, the licensee shall allow any Iowa-foaled horse an additional three-pound weight allowance beyond the stated conditions of the race.

b. A sum equal to twelve percent of the purse won by an Iowa-foaled horse or Iowa-whelped dog shall be used to promote the horse and dog breeding industries. The twelve percent shall be withheld by the licensee from the breakage and shall be paid at the end of the race meeting to the state department of agriculture and land stewardship which in turn shall deposit it in a special fund to be known as the Iowa horse and dog breeders fund. The department shall pay the amount deposited in the fund that is withheld from the purse won by an Iowa-foaled horse to the breeder of the winning Iowa-foaled horse by December 31 of each calendar year. The department shall pay the amount deposited in the fund that is withheld from the purse won by an Iowa-whelped dog to the breeder of the winning Iowa-whelped dog by March 31 of each calendar year. For the purposes of [this section](#), the breeder of a horse shall be considered to be the owner of the brood mare at the time the foal is dropped.

c. No less than twenty percent of all net purse moneys distributed to each breed, as described in [section 99D.7, subsection 5](#), paragraph “*b*”, shall be designated for registered Iowa-bred foals in the form of breeder's awards or purse supplement awards to enhance and foster the growth of the horse breeding industry.

2. For the purposes of [this chapter](#), the following shall be considered in determining if a horse is an Iowa-foaled thoroughbred horse, quarter horse, or standardbred horse:

a. All thoroughbred horses, quarter horses, or standardbred horses foaled in Iowa which are registered by the jockey club, American quarter horse association, or United States trotting association as Iowa foaled shall be considered to be Iowa foaled.

b. Eligibility for brood mare residence shall be achieved by meeting at least one of the following rules:

(1) Thirty days residency until the foal is inspected, if in foal to a registered Iowa stallion.

(2) Thirty days residency until the foal is inspected for brood mares which are bred back to registered Iowa stallions.

(3) (a) For a thoroughbred foal, continuous residency from December 15 until the foal is inspected if the mare was bred by other than an Iowa registered stallion and is not bred back to an Iowa registered stallion.

(b) For a standardbred foal or quarter horse foal, continuous residency from January 31 until the foal is inspected if the mare was bred by other than an Iowa registered stallion and is not bred back to an Iowa registered stallion.

c. To be eligible for registration as an Iowa thoroughbred, quarter horse, or standardbred stallion, stallion residency from January 1 through July 31 for the year of registration shall be met. However, horses going to stud for the first year shall be eligible upon registration with residency to continue through July 31.

d. State residency shall not be required for owners of brood mares.

3. To facilitate the implementation of [this section](#), the department of agriculture and land stewardship shall do all of the following:

a. Adopt standards to qualify thoroughbred, quarter horse, or standardbred stallions for Iowa breeding. A stallion shall stand for service in the state at the time of the foal's conception and shall not stand for service at any place outside the state during the calendar year in which the foal is conceived.

b. Provide for the registration of Iowa-foaled horses and that a horse shall not compete in a race limited to Iowa-foaled horses unless the horse is registered with the department of agriculture and land stewardship. The department may prescribe such forms as necessary to determine the eligibility of a horse.

c. The secretary of agriculture shall appoint investigators to determine the eligibility for registration of Iowa-foaled horses.

d. Establish a registration fee imposed on each horse which is a thoroughbred, quarter horse, or standardbred which shall be paid by the breeder of the horse. The department shall not impose the registration fee more than once on each horse. The amount of the registration fee shall not exceed thirty dollars. The moneys paid to the department from registration fees shall be considered appropriated receipts as defined in [section 8.2](#), and shall be used for the administration and enforcement of [this subsection](#).

4. a. The department of agriculture and land stewardship shall adopt rules establishing a schedule of registration fees to be imposed on owners of dogs that are whelped and raised for the first six months of their lives in Iowa for purposes of promoting native dogs as provided in [this chapter](#), including [section 99D.12](#) and [this section](#). The amount of the registration fees shall be imposed as follows:

- (1) An owner of a dam registering the dam, twenty-five dollars.
- (2) An owner of a litter registering the litter, ten dollars.
- (3) An owner of a dog registering the dog, five dollars.

b. The moneys paid to the department from registration fees as provided in paragraph "a" shall be considered appropriated receipts as defined in [section 8.2](#), and shall be used for the administration and enforcement of programs for the promotion of native dogs.

5. To qualify for the Iowa horse and dog breeders fund, a dog shall have been whelped in Iowa and raised for the first six months of its life in Iowa in a state inspected licensed facility. In addition, the owner of the dog shall have been a resident of the state for at least two years prior to the whelping. The department of agriculture and land stewardship shall adopt rules and prescribe forms to bring Iowa breeders into compliance with residency requirements of dogs and breeders in [this subsection](#).

[83 Acts, ch 187, §22; 84 Acts, ch 1266, §20, 21; 85 Acts, ch 67, §12; 95 Acts, ch 133, §1 – 7; 2001 Acts, ch 129, §2; 2005 Acts, ch 172, §19, 20; 2007 Acts, ch 211, §35; 2011 Acts, ch 111, §8; 2014 Acts, ch 1057, §1; 2015 Acts, ch 103, §1, 2; 2018 Acts, ch 1088, §1; 2024 Acts, ch 1177, §1; 2024 Acts, ch 1185, §123, 124](#)

Referred to in [§99D.9, 99D.10, 99D.12, 99D.13](#)
 Subsection 2, paragraph b, subparagraph (3) amended
 Subsection 3, paragraph d amended
 Subsection 4, paragraph b amended

99D.23 Commission veterinarian and chemist.

1. The commission shall employ one or more chemists or contract with a qualified chemical laboratory to determine by chemical testing and analysis of saliva, urine, blood, hair, or other excretions or body fluids whether a substance or drug has been introduced which may affect the outcome of a race or whether an action has been taken or a substance or drug has been introduced which may interfere with the testing procedure. The commission shall adopt rules under [chapter 17A](#) concerning procedures and actions taken on positive drug reports. The commission may adopt by reference nationally recognized standards as determined by the commission or may adopt any other procedure or standard. The commission has the authority to retain and preserve by freezing, test samples for future analysis.

2. The commission shall employ or contract with one or more veterinarians to extract or procure the saliva, urine, blood, hair, or other excretions or body fluids of the horses or

dogs for the chemical testing purposes of [this section](#). A commission veterinarian shall be in attendance at every race meeting held in this state.

3. A chemist or veterinarian who willfully or intentionally fails to perform the functions or duties of employment required by [this section](#) shall be banned for life from employment at a race meeting held in this state.

4. The commission veterinarian shall keep a continuing record of all horses determined to be sick, unsafe, unsound, or unfit to race by a commission veterinarian at a racetrack.

[83 Acts, ch 187, §23](#); [88 Acts, ch 1137, §3, 4](#); [94 Acts, ch 1100, §2](#); [2004 Acts, ch 1136, §19](#); [2018 Acts, ch 1088, §2](#)

Referred to in [§99D.9](#), [99D.10](#)

99D.24 Prohibited activities — penalty.

1. A person is guilty of an aggravated misdemeanor for doing any of the following:

a. Holding or conducting a race or race meeting where the pari-mutuel system of wagering is used or to be used without a license issued by the commission.

b. Holding or conducting a race or race meeting where wagering is permitted other than in the manner specified by [section 99D.11](#).

c. Committing any other corrupt or fraudulent practice as defined by the commission in relation to racing which affects or may affect the result of a race.

2. A person knowingly permitting a person under the age of twenty-one years to make a pari-mutuel wager is guilty of a simple misdemeanor.

3. A person wagering or accepting a wager at any location outside the wagering area is subject to the penalties in [section 725.7](#).

4. A person commits a class “D” felony and, in addition, shall be barred for life from racetracks under the jurisdiction of the commission, if the person does any of the following:

a. Offers, promises, or gives anything of value or benefit to a person who is connected with racing including, but not limited to, an officer or employee of a licensee, an owner of a horse, a jockey or driver, a trainer, or handler, pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a race, or to influence official action of a member of the commission.

b. Solicits or knowingly accepts or receives a promise of anything of value or benefit while the person is connected with racing including, but not limited to, an officer or employee of a licensee, an owner of a horse, a jockey or driver, a trainer, or handler, pursuant to an understanding or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to affect or attempt to affect the outcome of a race, or to influence official action of a member of the commission.

c. Knowingly or intentionally passes a winning wager or share to another person or provides fraudulent identification in order to avoid the forfeiture of any money or thing of value as a voluntarily excluded person pursuant to the processes established under [section 99D.7, subsection 23](#).

d. Knowingly or intentionally passes a winning wager or share to another person or provides fraudulent identification in order to avoid the application of a setoff as provided in [section 99D.28](#).

5. A person commits a class “D” felony and the commission shall suspend or revoke a license held by the person if the person:

a. Uses, possesses, or conspires to use or possess a device other than the ordinary whip or spur for the purpose of stimulating or depressing a horse or dog during a race or workout.

b. Sponges a horse’s or dog’s nostrils or windpipe or uses any method, injurious or otherwise, for the purpose of stimulating or depressing a horse or dog or affecting its speed in a race or a workout.

6. A person commits a serious misdemeanor if the person has in the person’s possession within the confines of a racetrack, stable, shed, building or grounds, or within the confines of a stable, shed, building or grounds where a horse or dog is kept which is eligible to race over a racetrack licensed under [this chapter](#), an appliance other than the ordinary whip or spur

which can be used for the purpose of stimulating or depressing a horse or dog or affecting its speed at any time.

83 Acts, ch 187, §24; 84 Acts, ch 1265, §5; 91 Acts, ch 195, §1; 94 Acts, ch 1021, §5; 2004 Acts, ch 1086, §24; 2005 Acts, ch 19, §31; 2022 Acts, ch 1143, §4

Referred to in §99D.7, 99D.9, 99D.28

99D.25 Drugging or numbing — exception — tests — reports — penalties.

1. As used in [this section](#), unless the context otherwise requires:

a. “*Drugging*” means administering to a horse or dog any substance foreign to the natural horse or dog prior to the start of a race. However, in counties with a population of two hundred fifty thousand or more, “*drugging*” does not include administering to a horse the drugs furosemide and phenylbutazone in accordance with [section 99D.25A](#) and rules adopted by the commission.

b. “*Numbing*” means the applying of a freezing device or substance to the limbs of a horse or dog within two hours before the start of a race, or a surgical or other procedure which was, at any time, performed in which the nerves of a horse or dog were severed, destroyed, injected, or removed. For purposes of this paragraph, ice is not a freezing device or substance.

c. “*Entered*” means that a horse or dog has been registered as a participant in a specified race, and not withdrawn prior to presentation of the horse or dog for inspection and testing.

2. The general assembly finds that the practice of drugging or numbing a horse or dog prior to a race:

a. Corrupts the integrity of the sport of racing and promotes criminal fraud in the sport;

b. Misleads the wagering public and those desiring to purchase a horse or dog as to the condition and ability of the horse or dog;

c. Poses an unreasonable risk of serious injury or death to the rider of a horse and to the riders of other horses competing in the same race; and

d. Is cruel and inhumane to the horse or dog so drugged or numbed.

3. The following conduct is prohibited:

a. The entering of a horse or dog in a race by the trainer or owner of the horse or dog if the trainer or owner knows or if by the exercise of reasonable care the trainer or owner should know that the horse or dog is drugged or numbed;

b. The drugging or numbing of a horse or dog with knowledge or with reason to believe that the horse or dog will compete in a race while so drugged or numbed. However, the commission may by rule establish permissible trace levels of substances foreign to the natural horse or dog that the commission determines to be innocuous;

c. The willful failure by the operator of a racing facility to disqualify a horse or dog from competing in a race if the operator has been notified that the horse or dog is drugged or numbed, or was not properly made available for tests or inspections as required by the commission; and

d. The willful failure by the operator of a racing facility to prohibit a horse or dog from racing if the operator has been notified that the horse or dog has been suspended from racing.

4. The owners of a horse or dog and their agents and employees shall permit a member of the commission or a person employed or appointed by the commission to make tests as the commission deems proper in order to determine whether a horse or dog has been improperly drugged. The fact that purse money has been distributed prior to the issuance of a test report shall not be deemed a finding that no chemical substance has been administered unlawfully to the horse or dog earning the purse money. The findings of the commission that a horse or dog has been improperly drugged by a narcotic or other drug are prima facie evidence of the fact. The results of the tests shall be kept on file by the commission for at least one year following the tests.

5. Every horse which suffers a breakdown on the racetrack, in training, or in competition, and is destroyed, and every other horse which expires while stabled on the racetrack under the jurisdiction of the commission, shall undergo a postmortem examination by a veterinarian or a veterinary pathologist at a time and place acceptable to the commission veterinarian to determine the injury or sickness which resulted in euthanasia or natural death. Test samples may be obtained from the carcass upon which the postmortem examination is conducted and

shall be sent to a laboratory approved by the commission for testing for foreign substances and natural substances at abnormal levels. When practical, blood and urine test samples should be procured prior to euthanasia. The owner of the deceased horse is responsible for payment of any charges due to conduct the postmortem examination. A record of every postmortem shall be filed with the commission by the veterinarian or veterinary pathologist who performed the postmortem within seventy-two hours of the death. Each owner and trainer accepts the responsibility for the postmortem examination provided herein as a requisite for maintaining the occupational license issued by the commission.

6. Any horse which in the opinion of the commission veterinarian has suffered a traumatic injury or disability such that a controlled program of phenylbutazone administration would not aid in restoring the racing soundness of the horse shall not be allowed to race while medicated with phenylbutazone or with phenylbutazone present in the horse's bodily systems.

7. A person found within or in the immediate vicinity of a security stall who is in possession of unauthorized drugs or hypodermic needles or who is not authorized to possess drugs or hypodermic needles shall, in addition to any other penalties, be barred from entry into any racetrack in Iowa and any occupational license the person holds shall be revoked.

8. Before a horse is allowed to race using phenylbutazone, the veterinarian attending the horse shall certify to the commission the course of treatment followed in administering the phenylbutazone.

9. The commission shall conduct random tests of bodily substances of horses entered to race each day of a race meeting to aid in the detection of any unlawful drugging. The tests may be conducted both prior to and after a race. The commission may also test any horse that breaks down during a race and shall perform an autopsy on any horse that is killed or subsequently destroyed as a result of an accident during a race. When practical, blood and urine test samples should be procured prior to euthanasia.

10. Veterinarians must submit daily to the commission veterinarian on a prescribed form a report of all medications and other substances which the veterinarian prescribed, administered, or dispensed for horses registered at a current race meeting. A logbook detailing other professional services performed while on the grounds of a racetrack shall be kept by veterinarians and shall be made immediately available to the commission veterinarian or the stewards upon request.

11. A person who violates [this section](#) is guilty of a class "D" felony.

[83 Acts, ch 187, §25; 88 Acts, ch 1137, §5 – 12; 94 Acts, ch 1100, §3, 4; 2004 Acts, ch 1136, §20 – 22, 65; 2007 Acts, ch 48, §1, 7; 2008 Acts, ch 1032, §189; 2017 Acts, ch 73, §1, 4](#)

Referred to in [§99D.9](#)

99D.25A Administration of furosemide or phenylbutazone.

1. As used in [this section](#) unless the context otherwise requires:

a. "Bleeder" means, according to its context, any of the following:

(1) A horse which, during a race or exercise, is observed by the commission veterinarian or a licensed practicing veterinarian to be shedding blood from one or both nostrils and in which no upper airway injury is noted during an examination by the commission veterinarian or a licensed practicing veterinarian immediately following such a race or exercise.

(2) A horse which, within one and one-half hours of such a race or exercise, is observed by the commission veterinarian or a licensed practicing veterinarian, through visual or endoscopic examination, to be shedding blood from the lower airway.

(3) A horse which has been certified as a bleeder in another state.

(4) A horse which has furosemide listed on its most recent past performance.

(5) A horse which, by recommendation of a licensed practicing veterinarian, is prescribed furosemide to control or prevent bleeding from the lungs.

b. "Bleeder list" means a tabulation of all bleeders maintained by the commission veterinarian.

c. "Detention barn" means a secured structure designated by the commission.

2. Phenylbutazone may be administered to a horse in dosage amounts as set by rule by the commission.

3. If a horse is to race with phenylbutazone in its system, the trainer, or trainer's designee, shall be responsible for marking the information on the entry blank for each race in which the horse shall use phenylbutazone. Changes made after the time of entry must be submitted on the prescribed form to the commission veterinarian no later than scratch time.

4. If a test detects concentrations of phenylbutazone in the system of a horse in excess of the level permitted in [this section](#), the commission shall assess a civil penalty against the trainer of at least two hundred dollars for the first offense and at least five hundred dollars for a second offense. The penalty for a third or subsequent offense shall be in the discretion of the commission.

5. Furosemide may be administered to certified bleeders. Upon request, any horse placed on the bleeder list shall, in its next race, be permitted the use of furosemide. Once a horse has raced with furosemide, it must continue to race with furosemide in all subsequent races unless a request is made to discontinue the use. If the use of furosemide is discontinued, the horse shall be prohibited from again racing with furosemide unless it is later observed to be bleeding. Requests for the use of or discontinuance of furosemide must be made to the commission veterinarian by the horse's trainer or assistant trainer on a form prescribed by the commission on or before the day of entry into the race for which the request is made.

6. Once a horse has been permitted the use of furosemide, the horse must be treated with furosemide in the horse's stall, unless the commission provides that a horse must be brought to the detention barn for treatment. After the furosemide treatment, the commission, by rule, may authorize the release of the horse from the horse's stall or detention barn before the scheduled post time. If a horse is brought to the detention barn late, the commission shall assess a civil penalty of one hundred dollars against the trainer.

7. A horse entered to race with furosemide must be treated at least four hours prior to post time. The furosemide shall be administered intravenously by a veterinarian issued a current occupational license by the commission. The commission shall adopt rules to ensure that furosemide is administered as provided in [this section](#). The commission shall require that the veterinarian deliver an affidavit signed by the veterinarian which certifies information regarding the treatment of the horse. The affidavit must be delivered to a commission veterinarian following the treatment. The affidavit must at least include the name of the veterinarian, the tattoo number of the horse, the location of the barn and stall where the treatment occurred, the race number of the horse, the name of the trainer, and the time that the furosemide was administered. Furosemide shall only be administered in a dose level of no less than one hundred fifty milligrams and no more than five hundred milligrams.

8. A person found within or in the immediate vicinity of the detention barn or horse stall who is in possession of unauthorized drugs or hypodermic needles or who is not authorized to possess drugs or hypodermic needles shall, in addition to any other penalties, be barred from entry into any racetrack in Iowa and any occupational license the person holds shall be revoked.

[88 Acts, ch 1137, §13; 92 Acts, ch 1203, §11; 94 Acts, ch 1100, §5; 97 Acts, ch 23, §12; 98 Acts, ch 1006, §1, 2; 98 Acts, ch 1217, §10; 2004 Acts, ch 1136, §23; 2007 Acts, ch 48, §2 – 5, 7; 2014 Acts, ch 1033, §3; 2017 Acts, ch 73, §2, 4](#)

Referred to in [§99D.25](#)

99D.26 Forfeiture of property.

1. Anything of value, including all traceable proceeds including but not limited to real and personal property, moneys, negotiable instruments, securities, and conveyances are subject to forfeiture to the state of Iowa if the item was used for any of the following:

- a. In exchange for a bribe intended to affect the outcome of a race.
- b. In exchange for or to facilitate a violation of [this chapter](#).

2. All moneys, coin, and currency found in close proximity of wagers, or of records of wagers are presumed forfeited. The burden of proof is upon the claimant of the property to rebut this presumption.

3. [Subsections 1 and 2](#) do not apply if the act or omission which would give rise to the forfeiture was committed or omitted without the owner's knowledge or consent.

[83 Acts, ch 187, §26](#)

99D.27 Racing dog adoption program.

A track licensed to race dogs under [this chapter](#) shall maintain a racing dog adoption program. The track shall advertise the availability of adoptable dogs in the media, including but not limited to racing programs. The track shall compile a list of persons applying to adopt a dog. A dog's owner or dog's trainer acting with the consent of the owner may participate in the program by placing the dog for adoption. The ownership of the dog shall be transferred from the owner of the dog to the person who is adopting the dog. A dog shall not be transferred to a person for purposes related to racing, breeding, hunting, laboratory research, or scientific experimentation. A dog shall not be transferred unless the dog has been examined by a veterinarian and found to be free of disease requiring extensive medical treatment. A dog shall not be transferred, until a veterinarian has certified that the dog has been sterilized. The track may transfer a dog to a governmental agency or nonprofit organization without examination or certification. However, other requirements relating to the transfer of a dog to a person by a track under [this section](#) apply to the transfer of a dog to a person by the agency or organization. A person violating [this section](#) is guilty of a simple misdemeanor.

[89 Acts, ch 216, §10; 90 Acts, ch 1155, §1](#)

Referred to in [§99D.13, 162.20](#)

99D.27A Iowa race horse aftercare organization assistance fund.

1. An Iowa race horse aftercare organization assistance fund is created in the state treasury under the control of the racing and gaming commission.

2. The fund shall consist of fines collected by the commission under [this chapter](#) and such other moneys deposited in the fund.

3. Moneys in the fund shall be distributed, under the sole control of the commission, to organizations, exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code, that are dedicated to race horse aftercare subject to the requirements of [this section](#).

4. The commission shall determine the method by which moneys in the fund shall be distributed, with priority given to organizations primarily involved in rehabilitation, retraining, and rehoming of former race horses that raced in the state of Iowa that have governing boards comprised of pari-mutuel industry occupational license holders. Moneys shall only be distributed to organizations shown to have been in existence for a minimum of three years. The distribution decisions of the commission shall be final.

5. Members of the commission, employees of the commission, and any individual that the commission had assist in the distribution determination shall be held harmless against any claim of liability made by any person or organization arising out of the distribution of the moneys from the fund by the commission.

6. [Section 8.33](#) does not apply to moneys in the fund. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys deposited in the fund shall be credited to the fund.

[2022 Acts, ch 1054, §2](#)

99D.28 Setoff.

1. A licensee or a person acting on behalf of a licensee shall be provided electronic access to the names of the persons indebted to a claimant agency pursuant to the process established pursuant to [section 99D.7, subsection 24](#). The electronic access provided by the claimant agency shall include access to the names of the debtors, their social security numbers, and any other information that assists the licensee in identifying the debtors. If the name of a debtor provided to the licensee through electronic access is retrieved by the licensee and the winnings are required to be reported on internal revenue service form W-2G for gambling winnings, the retrieval of such a name shall constitute a valid lien upon and claim of lien against the winnings of the debtor whose name is electronically retrieved from the claimant agency. If a debtor's winnings are required to be reported on internal revenue service form W-2G for gambling winnings, the full amount of the debt shall be collectible

from any winnings due the debtor without regard to limitations on the amounts that may be collectible in increments through setoff or other proceedings.

2. The licensee is authorized and directed to withhold any winnings of a debtor which are paid out directly by the licensee subject to the lien created by [this section](#) and provide notice of such withholding to the winner when the winner appears and claims winnings in person. The licensee shall pay the funds over to the collection entity which administers the setoff program pursuant to [section 421.65](#).

3. Notwithstanding any other provision of law to the contrary, the licensee may provide to a claimant agency all information necessary to accomplish and effectuate the intent of [this section](#), and likewise the claimant agency may provide all information necessary to accomplish and effectuate the intent of [this section](#).

4. The information obtained by a claimant agency from the licensee in accordance with [this section](#) shall retain its confidentiality and shall only be used by a claimant agency in the pursuit of its debt collection duties and practices. An employee or prior employee of a claimant agency who unlawfully discloses any such information for any other purpose, except as otherwise specifically authorized by law, shall be subject to the penalties specified by law for unauthorized disclosure of confidential information by an agent or employee of the claimant agency.

5. The information obtained by a licensee from a claimant agency in accordance with [this section](#) shall retain its confidentiality and only be used by the licensee in the pursuit of debt collection duties and practices. An employee or prior employee of a licensee who unlawfully discloses any such information for any other purpose, except as otherwise specifically authorized by law, shall be subject to the same penalties specified by law for unauthorized disclosure of confidential information by an agent or employee of the licensee.

6. Except as otherwise provided in [this chapter](#), attachments, setoffs, or executions authorized and issued pursuant to law shall be withheld if timely served upon the licensee.

7. A claimant agency or licensee, acting in good faith, shall not be liable to any person for actions taken pursuant to [this section](#). In addition, the commission shall not initiate any administrative action or impose penalties on a licensee who voluntarily reports to the commission activity described in [section 99D.24, subsection 4](#), paragraph “d”.

8. For purposes of [this section](#), “licensee” shall also include an advance deposit wagering operator.

2008 Acts, ch 1172, §3; 2010 Acts, ch 1031, §171, 172; 2017 Acts, ch 73, §3; 2020 Acts, ch 1064, §5, 28; 2020 Acts, ch 1066, §1; 2020 Acts, ch 1118, §73, 74; 2022 Acts, ch 1143, §5

Referred to in [§99D.24](#)