
BUDGET UNIT BRIEF – FY 2018

Fiscal Services Division

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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Pari-Mutuel and Riverboat Regulation — Gaming Regulatory Revolving Fund

Purpose

The Pari-Mutuel and Riverboat Regulation appropriation provides for administration of pari-mutuel and excursion gambling boat laws under Iowa Code chapters 99D and 99F, respectively, as well as associated administrative rules. The Iowa Racing and Gaming Commission (IRGC) approves the regulatory fees at its June meeting each year in order to have the regulatory fees established at the beginning of the fiscal year. Regulatory costs include the annual IRGC appropriation and the Department of Public Safety's Division of Criminal Investigation (DCI) costs for both pari-mutuel and excursion gambling. Upon establishment of the regulatory fees, the IRGC releases a memo to the general managers of all gaming entities, informing them of the regulatory fees for the following fiscal year.

Prior to FY 2016, the appropriation associated with Pari-Mutuel and Riverboat Regulation consisted of two separate budget units. For FY 2016, these budget units were consolidated into one budget unit. Pari-Mutuel and Riverboat Regulation funding is determined by the Administration and Regulation Appropriations Subcommittee.

Pari-Mutuel Regulation

The Racing and Gaming Commission's racing (pari-mutuel) services include the above listed service areas of licensing, compliance, and information services, as well as racing animal welfare. Rules are in place for drug-testing greyhounds and horses racing at pari-mutuel racetracks. The Commission employs qualified veterinarians to oversee the animals. The veterinarians are responsible for performing pre- and post-race examinations of the animals, obtaining specimens for drug testing, and performing stable/kennel inspections, among other responsibilities.

Riverboat Regulation

The Racing and Gaming Commission's nonracing (riverboat) services are categorized into three main areas:

- **Licensing:** The Commission licenses gaming facilities, all persons working and participating at the facilities, and all manufacturers and distributors participating in businesses with the facilities prior to conducting business or working for a facility. Licensure involves completing an application and undergoing a background check.
- **Compliance:** The Commission ensures compliance with all rules and statutes governing racing and gaming. From the first step of approving electronic gaming devices to the final administrative action, the Commission monitors all aspects of racing and gaming in Iowa. The Commission verifies all racing and gaming revenues that are due to the State to ensure that the related government entities

More Information

Iowa Racing and Gaming Commission: irgc.iowa.gov
LSA Staff Contact: Christin Mechler (515.281.6561) christin.mechler@legis.iowa.gov

are receiving tax revenues authorized by law. The Commission ensures compliance by licensed facilities with the Iowa laws prohibiting underage gambling and gambling while intoxicated.

- Information Services: Multiple financial reports are available on the Commission website, including racing and gaming revenue reports, pari-mutuel handle reports, and annual reports.

Funding

The Commission receives an appropriation from the Gaming Regulatory Revolving Fund (GRF).

Other Sources of Revenue

Funds received pursuant to Iowa Code section 99D.14 (Pari-Mutuel Regulation) and Iowa Code chapter 99F (Riverboat Regulation) are deposited in the GRF created in Iowa Code section 99F.20. These funds are used to the extent appropriated by the General Assembly. The IRGC is subject to the budget requirements of Iowa Code chapter 8 and the respective auditing requirements and procedures of Iowa Code chapter 11. The racetracks and excursion gambling boats are assessed all appropriated expenditures of the Commission through regulatory fees.

Related Statutes and Administrative Rules

Iowa Code chapters [8](#), [11](#), [99D](#), and [99F](#)
Iowa Administrative Code [491](#)