

# Iowa Racing & Gaming Commission



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TIC SUBCOMMITTEE MEETING

FEBRUARY 17, 2025



# Introduction

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The Iowa Racing & Gaming Commission was Created by the Pari-Mutuel Wagering Act in May of 1983.

*Mission Statement:* The mission of the Iowa Racing and Gaming Commission is to administer the laws and rules for gambling and wagering in Iowa in order to ensure the integrity of licensees and their operations, maintain public confidence in regulated gambling and wagering activities in Iowa, and promote economic development for the citizens of Iowa.

The Commission carries out this mission by enforcing laws and rules for the wagering public and industry, as well as ensuring industry participants are adhering to responsible gaming practices, promoting the highest quality of sustainable operations, promoting public safety, providing quality entertainment, investing into Iowa goods and resources, encouraging the hiring of Iowans, and requiring reinvestment in facilities and amenities located in Iowa.



# Commissioners

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Daryl Olsen –  
Chair

- Republican
- Current Term  
Ends:  
04/30/2026

Mark Campbell  
– Vice Chair

- Democrat
- Current Term  
Ends:  
04/30/2027

Julie Andres

- Republican
- Current Term  
Ends:  
04/30/2025

Amy Burkhart

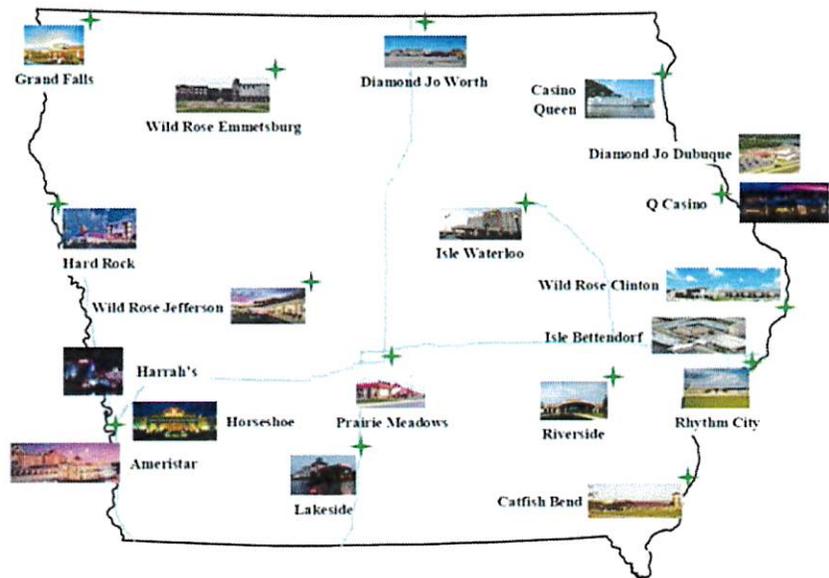
- Independent
- Current Term  
Ends:  
04/30/2027

Alan Ostergren

- Republican
- Current Term  
Ends:  
04/30/2026

# State Licensed Racetracks & Casinos

- |                              |                                   |
|------------------------------|-----------------------------------|
| Ameristar - Council Bluffs   | Prairie Meadows - Altoona         |
| Casino Queen - Marquette     | Q Casino - Dubuque                |
| Catfish Bend - Burlington    | Rhythm City - Davenport           |
| Diamond Jo Dubuque - Dubuque | Riverside - Riverside             |
| Diamond Jo Worth - Northwood | Wild Rose Emmetsburg - Emmetsburg |
| Grand Falls - Larchwood      | Wild Rose Jefferson - Jefferson   |
| Hard Rock - Sioux City       | Wild Rose Clinton - Clinton       |
| Harrah's - Council Bluffs    |                                   |
| Horseshoe - Council Bluffs   |                                   |
| Isle Bettendorf - Bettendorf |                                   |
| Isle Waterloo - Waterloo     |                                   |
| Lakeside - Osceola           |                                   |



# Online Sports Wagering (As of 02/01/2025)

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## Bet365

- Casino Queen

## Bally Bet

- Grand Falls

## BetMGM

- Diamond Jo Worth

## BetRivers

- Wild Rose Clinton
- Wild Rose Jefferson

## Caesars Sportsbook

- Harrah's
- Horseshoe
- Isle Bettendorf
- Isle Waterloo
- Prairie Meadows

## Circa Sports

- Wild Rose Jefferson

## DraftKings

- Wild Rose Clinton
- Wild Rose Emmetsburg
- Wild Rose Jefferson

## ESPN Bet

- Ameristar

## FanDuel

- Diamond Jo Dubuque

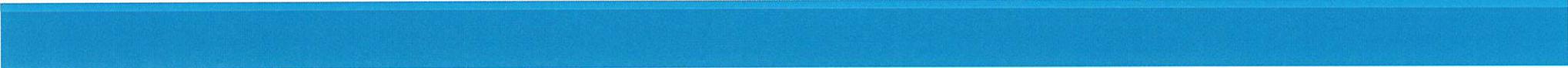
## Fanatics Sportsbook

- Catfish Bend

## Q Sportsbook

- Q Casino

## Sporttrade

- Wild Rose Clinton
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# Live Racing in Iowa (2025 Season)

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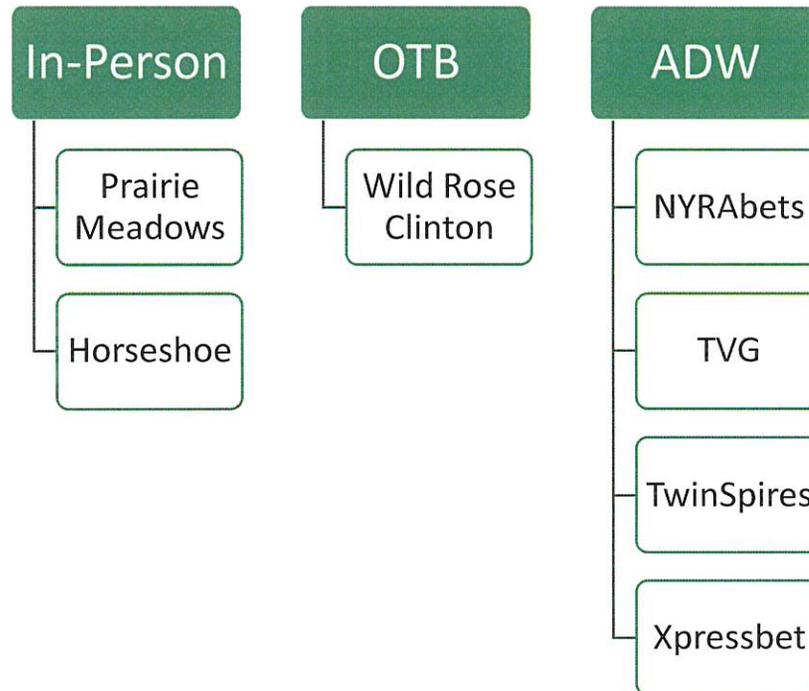
- |                           |  |
|---------------------------|--|
| Thoroughbreds             | <ul style="list-style-type: none"><li>• Prairie Meadows</li><li>• May 09 – September 27</li></ul>  |
| Quarter Horse             | <ul style="list-style-type: none"><li>• Prairie Meadows</li><li>• June 15 – September 27</li></ul>   |
| Standardbred<br>(Harness) | <ul style="list-style-type: none"><li>• Various county fairs (mid spring – early fall)</li><li>• Pari-mutuel wagering no longer offered in Iowa for Standardbred (2011 legislation).</li></ul> |

# Simulcast Racing In Iowa

Simulcast Racing allows a person to place a wager for a race that takes place at a different location.

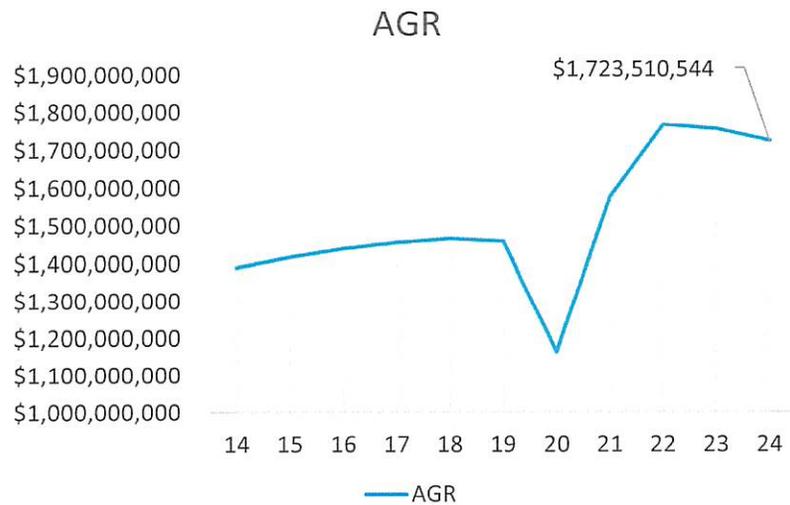
There are three simulcast options in Iowa:

- In-Person: Placing a wager at one of Iowa's licensed racetracks.
- Off-Track Betting (OTB): Placing a wager at one of Iowa's licensed casinos.
- Advance Deposit Wagering (ADW): Placing a wager online.

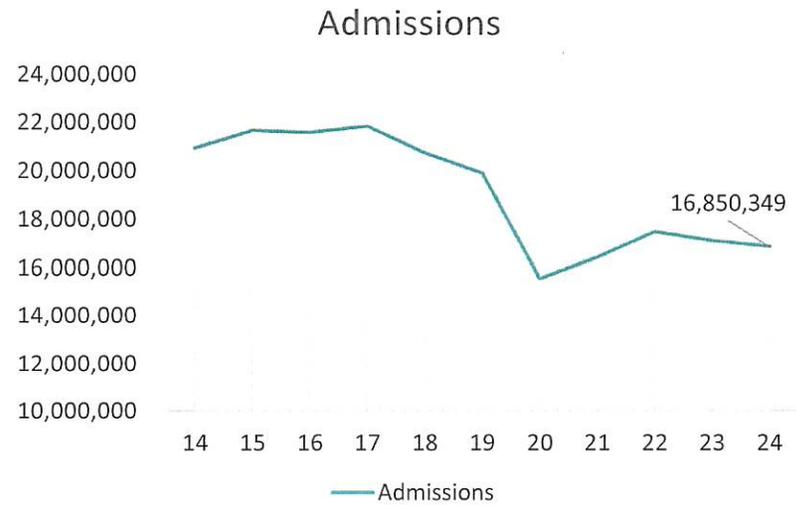


# Ten Year Comparison – Fiscal Year

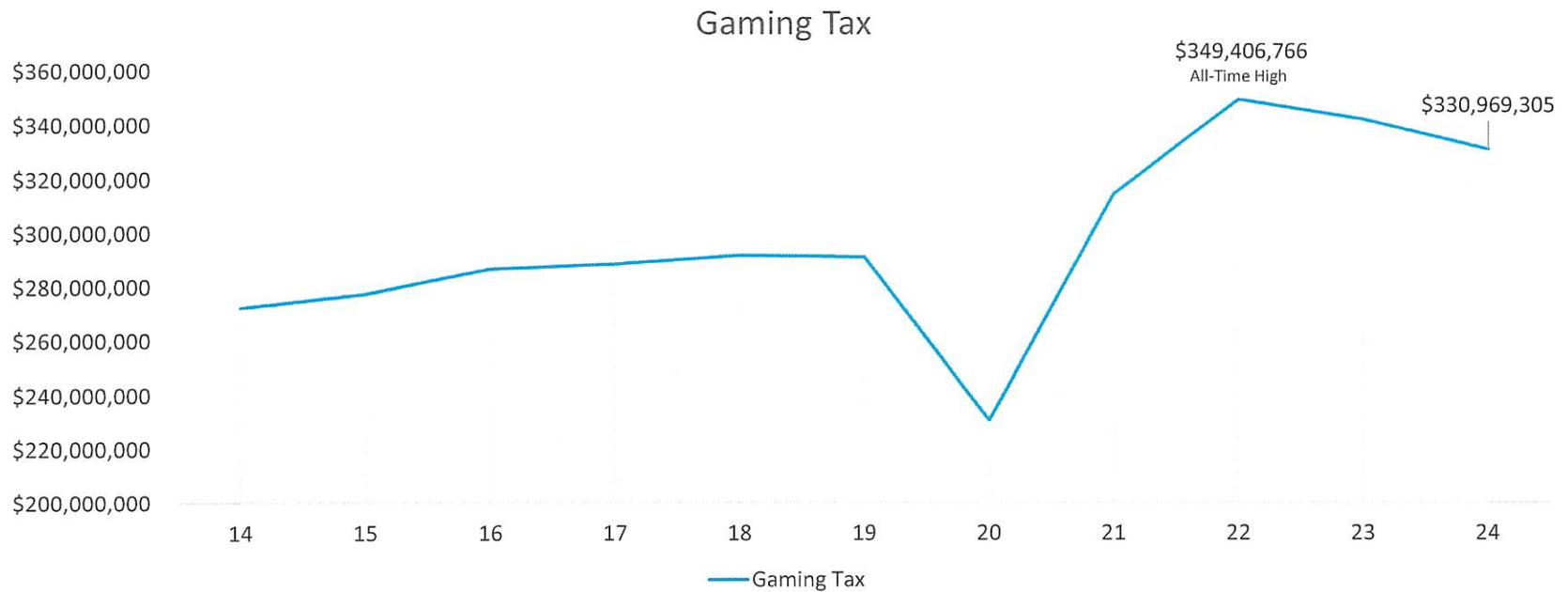
## ADJUSTED GROSS REVENUE (AGR)



## ADMISSIONS

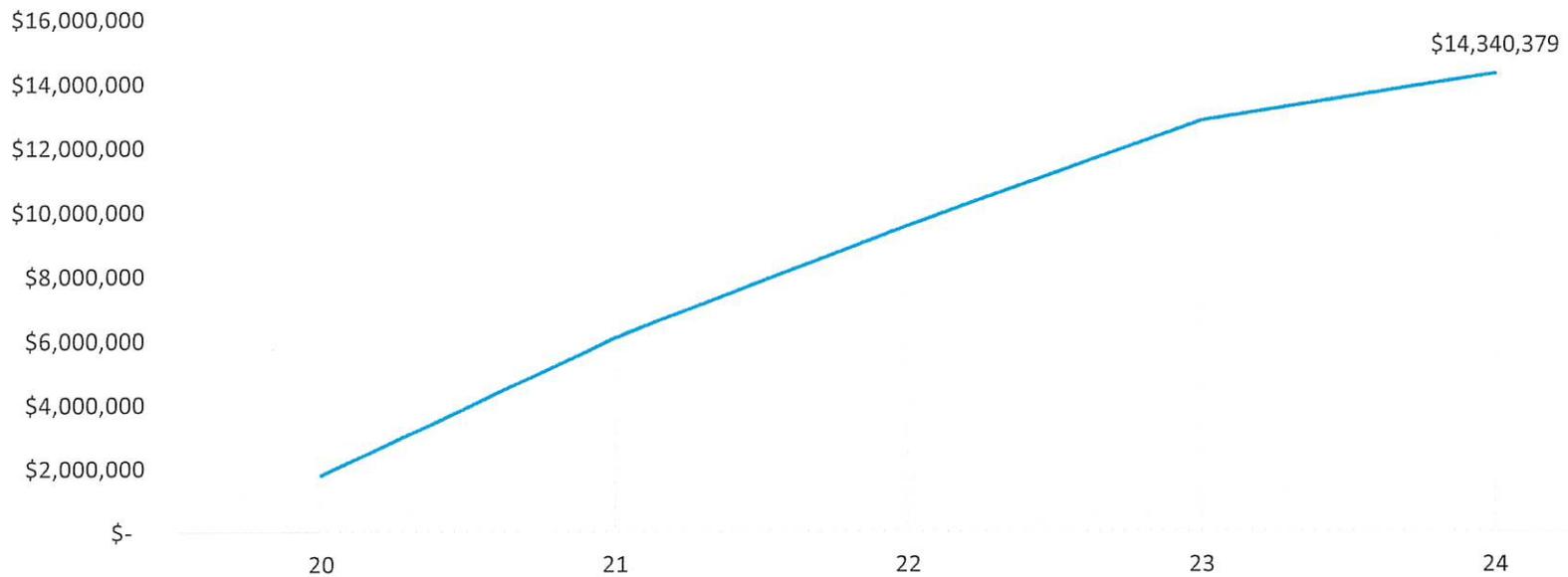


# Ten Year Comparison – Fiscal Year



# Five Year Comparison – Fiscal Year

Sports Wagering Tax



Sports Wagering net receipts are taxed at 6.75% & began in FY2020

# Tax Distribution

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# Potential Market Factors

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- Promotional Play Receipts
  - Increase in Gaming in surrounding states
  - Increased Investment
  - Economic Influence
  - Sports Wagering in Other Markets
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# Promotional Play Taxes

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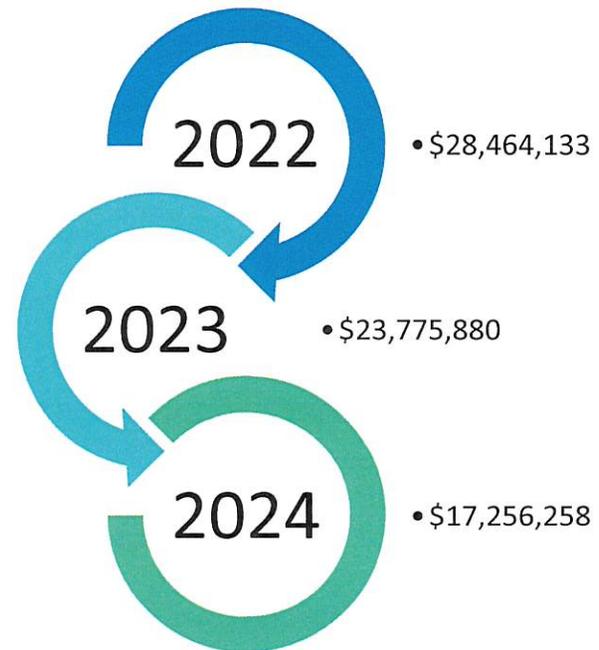
Main loyalty offer to players.

- Issued weekly or monthly.

Currently included in gross receipts.

Legislation passed to phase taxing of promotional play out by FY2027.

- FY22: 83.33%.
- FY23: 66.67%.
- FY24: 50.00%.
- FY25: 33.33%.
- FY26: 16.67%.
- FY27: None.

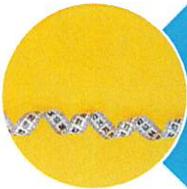


# Promotional Play Taxes

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Promotional play will not be included in gross receipts in 2027, thereby removing it from tax calculations.



Difficult to measure precise fiscal impact.



Expected to have more promotional play issued.

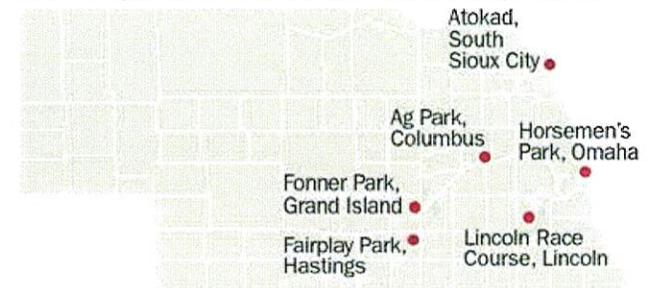


# Nebraska Market



## VOTING ON "RACINOS"

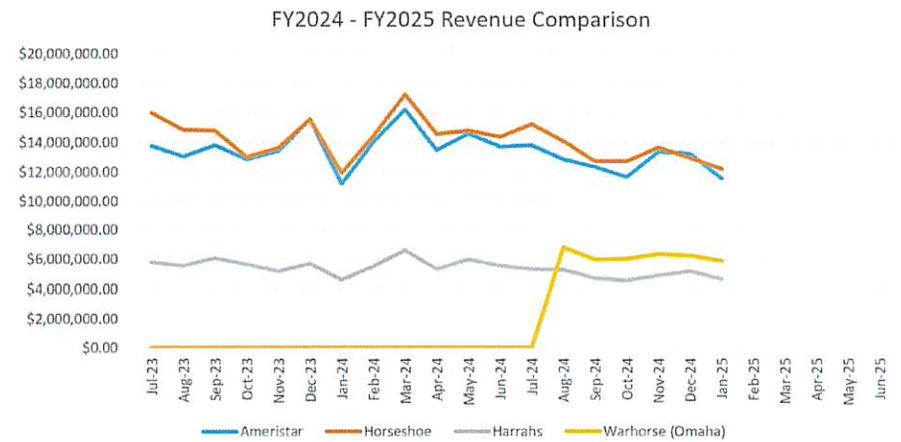
Initiatives 429, 430 and 431 would allow licensed horse race tracks to open casinos. These tracks are currently licensed.



MATT HANEY/THE WORLD-HERALD

# Council Bluffs Market: Close-up

FY2024	Ameristar	% CB	% All	Horseshoe	% CB2	% All2	Harrahs	% CB3	% All3	Warhorse (Omaha)	% All4
Jul-23	\$13,789,435.08	38.78%	38.78%	\$15,972,760.10	44.92%	44.92%	\$5,792,953.26	16.29%	16.29%	\$0.00	0.00%
Aug-23	\$13,083,421.01	39.09%	39.09%	\$14,832,457.93	44.31%	44.31%	\$5,558,092.12	16.60%	16.60%	\$0.00	0.00%
Sep-23	\$13,800,206.57	39.81%	39.81%	\$14,804,261.17	42.71%	42.71%	\$6,059,576.39	17.48%	17.48%	\$0.00	0.00%
Oct-23	\$12,889,324.47	40.85%	40.85%	\$13,014,518.85	41.24%	41.24%	\$5,650,523.84	17.91%	17.91%	\$0.00	0.00%
Nov-23	\$13,427,607.96	41.64%	41.64%	\$13,654,083.67	42.34%	42.34%	\$5,167,124.11	16.02%	16.02%	\$0.00	0.00%
Dec-23	\$15,557,113.71	42.31%	42.31%	\$15,524,868.52	42.22%	42.22%	\$5,686,768.71	15.47%	15.47%	\$0.00	0.00%
Jan-24	\$11,224,687.95	40.35%	40.35%	\$11,966,042.23	43.01%	43.01%	\$4,627,720.73	16.64%	16.64%	\$0.00	0.00%
Feb-24	\$14,050,712.07	41.31%	41.31%	\$14,441,834.29	42.46%	42.46%	\$5,518,473.05	16.23%	16.23%	\$0.00	0.00%
Mar-24	\$16,203,465.97	40.42%	40.42%	\$17,233,675.69	42.99%	42.99%	\$6,649,946.22	16.59%	16.59%	\$0.00	0.00%
Apr-24	\$13,479,768.86	40.43%	40.43%	\$14,561,633.64	43.67%	43.67%	\$5,301,465.00	15.90%	15.90%	\$0.00	0.00%
May-24	\$14,596,937.51	41.28%	41.28%	\$14,789,914.82	41.82%	41.82%	\$5,977,522.02	16.90%	16.90%	\$0.00	0.00%
Jun-24	\$13,743,944.63	40.82%	40.82%	\$14,389,051.63	42.73%	42.73%	\$5,540,662.87	16.45%	16.45%	\$0.00	0.00%
Jul-24	\$13,811,430.63	40.20%	40.20%	\$15,214,680.64	44.28%	44.28%	\$5,331,226.48	15.52%	15.52%	\$0.00	0.00%
Aug-24	\$12,892,858.84	39.95%	33.00%	\$14,088,467.85	43.66%	36.06%	\$5,288,288.24	16.39%	13.54%	\$6,800,855.56	17.41%
Sep-24	\$12,373,993.23	41.49%	34.57%	\$12,740,148.02	42.72%	35.59%	\$4,710,021.67	15.79%	13.16%	\$5,968,748.87	16.68%
Oct-24	\$11,671,432.83	40.26%	33.33%	\$12,729,411.61	43.91%	36.35%	\$4,585,843.46	15.82%	13.10%	\$6,030,920.10	17.22%
Nov-24	\$13,396,547.72	41.86%	34.95%	\$13,686,249.86	42.77%	35.70%	\$4,919,029.55	15.37%	12.83%	\$6,333,946.38	16.52%
Dec-24	\$13,278,681.82	42.27%	35.24%	\$12,976,196.34	41.31%	34.43%	\$5,160,424.56	16.43%	13.69%	\$6,268,575.77	16.63%
Jan-25	\$11,561,069.93	40.59%	33.66%	\$12,241,377.94	42.98%	35.64%	\$4,682,019.87	16.44%	13.63%	\$5,864,369.92	17.07%
Feb-25											
Mar-25											
Apr-25											
May-25											
Jun-25											
	\$254,832,640.79	40.71%	38.43%	\$268,861,634.80	42.96%	40.54%	\$102,207,682.15	16.33%	15.41%	\$37,267,416.60	5.62%
CB Total	\$625,901,959.37								Market Total	\$663,169,376.28	



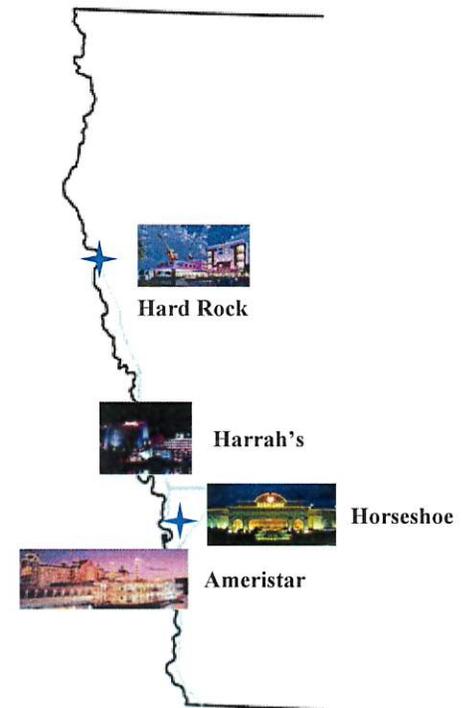
# Tax Impact Calculations

	Gaming Positions	FY24 AGR	FY24 Tax	-10%	-20%	-30%	-40%
Ameristar	1,505	\$ 186,625,900	\$ 34,861,789	\$ 3,486,179	\$ 6,972,358	\$ 10,458,537	\$ 13,944,716
Harrah's	772	\$ 71,907,055	\$ 13,545,676	\$ 1,354,568	\$ 2,709,135	\$ 4,063,703	\$ 5,418,270
Horseshoe	1,697	\$ 187,095,411	\$ 39,391,611	\$ 3,939,161	\$ 7,878,322	\$ 11,817,483	\$ 15,756,644
		<b>\$ 445,628,366</b>	<b>\$ 87,799,076</b>	<b>\$ 8,779,908</b>	<b>\$ 17,559,815</b>	<b>\$ 26,339,723</b>	<b>\$ 35,119,630</b>
Hard Rock	824	\$ 92,538,596	\$ 17,536,038	\$ 1,753,604	\$ 3,507,208	\$ 5,260,811	\$ 7,014,415
State Total		\$ 1,723,510,544	\$ 330,969,305				
		FY23 AGR	FY23 Tax	-10%	-20%	-30%	-40%
Ameristar	1,521	\$ 184,593,674	\$ 35,203,321	\$ 3,520,332	\$ 7,040,664	\$ 10,560,996	\$ 14,081,328
Harrah's	657	\$ 70,728,821	\$ 13,367,768	\$ 1,336,777	\$ 2,673,554	\$ 4,010,330	\$ 5,347,107
Horseshoe	1,717	\$ 204,743,960	\$ 43,489,895	\$ 4,348,990	\$ 8,697,979	\$ 13,046,969	\$ 17,395,958
		<b>\$ 460,066,455</b>	<b>\$ 92,060,984</b>	<b>\$ 9,206,098</b>	<b>\$ 18,412,197</b>	<b>\$ 27,618,295</b>	<b>\$ 36,824,394</b>
Hard Rock	826	\$ 94,822,928	\$ 18,200,427	\$ 1,820,043	\$ 3,640,085	\$ 5,460,128	\$ 7,280,171
State Total		\$ 1,754,520,656	\$ 342,017,712				

\*The table above was created by the IRGC

# Nebraska Projections for the Future

- Four Iowa operators reported a significant number of their patrons come from areas of Nebraska that will now have their own casinos.
- Originally, market studies projected 38% to 45.5% decline in Council Bluffs revenue & the operators projected a decline in revenue of 25%-30%. FY2025 year to date is 7.54%.
- Operator in Sioux City indicated a potential decline of about 20%.
- Iowa operators now believe the Council Bluffs market has actually grown.
- Type of facilities and amenities make a difference.
- Continued impact expected while Nebraska market develops; but the amount remains to be seen.



# 2021 Socio-Economic Market Studies for Entire State

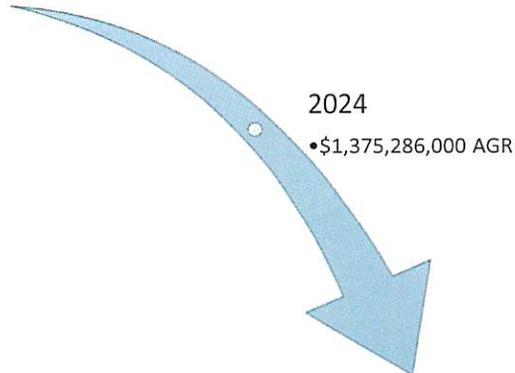
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## INNOVATION GROUP REVENUE PROJECTIONS

(ANTICIPATING NE, ROCKFORD & BELOIT)

2021

•\$1,688,810,000 AGR



2024

•\$1,375,286,000 AGR

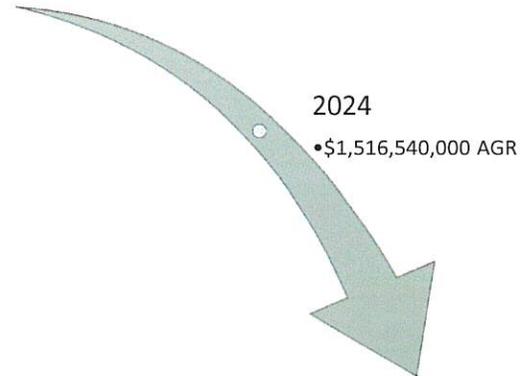
Projected Decline

•18.56%

## SPECTRUM GAMING REVENUE PROJECTIONS

2022

•\$1,587,050,860 AGR



2024

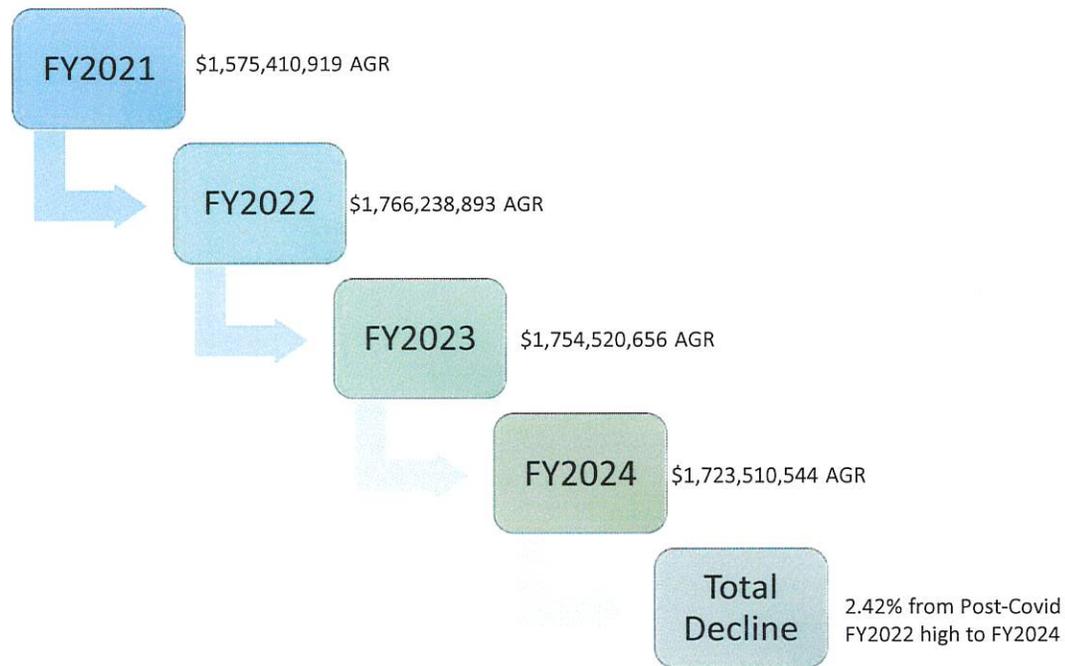
•\$1,516,540,000 AGR

Projected Decline

•4.44%

# Iowa Market FY2021 – FY2024 Behavior

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# Iowa Projections for the Future

- Gaming revenue remains flat post FY2022 all time high.
- Gaming revenue remains well above pre-Covid numbers.
- National trend in land based revenue is relatively flat.
- Sports wagering continues to have significant interest but low tax rate and small impact on overall tax revenue.
- Linn County impact not anticipated until FY2028.





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Thank you

Iowa Racing & Gaming Commission  
IRGC@iowa.gov  
515-281-7352