



MEDIA: PLEASE CONTACT THE MEETING FACILITY DIRECTLY TO MAKE THE NECESSARY ARRANGEMENTS FOR ANY EQUIPMENT YOU MAY NEED.

MEETING ANNOUNCEMENT

DATE: JANUARY 25, 2024
TIME: 8:30 AM
LOCATION: DIAMOND JO CASINO
HARBORVIEW ROOM
301 BELL ST
DUBUQUE, IA 52001
PHONE: (563) 690-4800

REVISED PROPOSED AGENDA

- 1. APPROVE AGENDA**
- 2. WELCOME – Alex Dixon, President, Q Casino; Mike Donohue, President of the Dubuque Racing Association Board; Brad Cavanagh, Mayor of Dubuque**
- 3. APPROVE MINUTES**
 - A. November 16, 2023 Commission Meeting
 - B. December 19, 2023 Commission Meeting
- 4. ANNOUNCEMENTS**
 - A. February – No meeting
 - B. March 5, 2024 – Prairie Meadows Racetrack & Casino, Altoona (Submissions due by February 20, 2024)
 - C. April 18, 2024 – Harrah’s, Council Bluffs
- 5. RULES**
 - A. Final Adopt – ARC 7070C

6. **ADVANCE DEPOSIT SPORTS WAGERING AGREEMENT** – Wild Rose Clinton, LLC and Sporttrade Iowa, LLC
7. **IOC BLACK HAWK COUNTY, INC.**
 - A. Request for Approval of Amended and Restated Operator’s Agreement
8. **CONTRACT APPROVALS (OSV – OUT OF STATE VENDOR; RP – RELATED PARTY)**
 - A. IOC Black Hawk County, Inc.
 1. NRT Technologies Inc. – ATM & Ticket Kiosk Agreement (OSV)
 2. Exela Enterprise Solutions, Inc. – Copy & Print Services
 3. Pinnacle Construction, Inc – General contractor
 - B. IOC Bettendorf – NRT Technologies Inc – ATM & ticket kiosk agreement (OSV)
 - C. SCE Partners, LLC
 1. KDG, Division of Shive-Hattery, Inc – Design company for updating the current buffet space to an event center
 2. Masterminds, Inc – Advertising and media buyer
 - D. Dubuque Racing Association, Ltd.
 1. Gaming Analytics Inc. – Analytical software for slot play (OSV)
 2. MidWestOne Bank – ATM agreement with amendments
 - E. Rhythm City Casino, LLC
 1. 7G Distributing – Beverage purchase
 2. Blackhawk Network – BP gas & Home Depot gift cards
 3. Grand Falls Casino & Resort – Support services: Internal audit, regulatory compliance & IT services (RP)
 4. King Food Service – Food purchases
 5. Lagomarcino’s – Chocolate/candy
 6. MedOne Healthcare Systems – Prescription drug benefit plan
 7. Myers-Cox – Cigarettes, sundries & candies
 8. Riverside Casino & Golf Resort – Support services: Internal audit, regulatory compliance & IT services (RP)
 9. TPI (The Printer Inc.) – Marketing mailers
 10. UMR is a United Healthcare Company – Medical & flexible spending plan
 11. US Postmaster – Postage for mailers
 12. USA Entertainment – Booking agency for entertainers
 13. Wells Fargo Business Elite Card – Credit card purchases
 14. Zurich – Insurance services

- F. Diamond Jo Worth, LLC
 - 1. Worth County Hospitality, L.L.C. – Country Inn and Suites Acquisition
 - 2. Contracts:
 - a. Kingland Construction – General contractor
 - b. Mastercraft Floor Covering, LLC – Casino carpet replacement (OSV)

- G. Ameristar Casino Council Bluffs, LLC – Omni Centre LLC – Offsite warehouse lease

- H. Prairie Meadows Racetrack and Casino, Inc.
 - 1. ConvergeOne – Communications equipment and service
 - 2. Everi Payments – Enrollment kiosks (OSV)
 - 3. Gitchi Gaming – Gaming equipment (OSV)
 - 4. IGT – Table manager system upgrade (OSV)
 - 5. Loffredo Fresh Produce – Food products
 - 6. Midwest Ambulance – Ambulance and emergency medical services
 - 7. Nascar Holdings (IA Speedway) – Race and event sponsorship
 - 8. Next Step Advertising – Advertising agency
 - 9. Poindexter Flooring – Tile & carpet flooring
 - 10. Prenosil Concrete – Concrete work
 - 11. RJ Kool Company – Ironer/folder/stacker system for hotel laundry (OSV)
 - 12. Skinner & Paschke, PLLC – Lobbyist related activities
 - 13. TC Millwork – Slot machine bases (OSV)
 - 14. Tony Cee Associates – Talent booking agency (OSV)
 - 15. Trane US (Des Moines Trane) – HVAC equipment and services
 - 16. Ziegler, Inc. – Maintenance equipment

9. PRAIRIE MEADOWS RACETRACK AND CASINO, INC.

- A. Advance Deposit Wagering Agreement
 - 1. Request for approval of new agreement – NYRAbets, LLC, and the Iowa Horseman’s Benevolent and Protective Association
 - 2. Request for approval of amendment to existing agreement – ODS Technologies, L.P. d/b/a TVG Network
 - 3. Request for approval of new agreement – Xpressbet, LLC and the Iowa Horseman’s Benevolent and Protective Association
- B. Request for Approval of the 45-Day Plan for the 2024 Mixed Meet

10. HEARINGS

- A. Ameristar Casino Council Bluffs, Inc. – For violations of Iowa Code § 99F.4(22), and 491 IAC 5.4(5)“c”. (Self-Exclusion and incident report filing)
- B. Rhythm City Casino, LLC – For violations of Iowa Code § 99F.4(22). (Self-Exclusion)
- C. Betfair Interactive US LLC – For violations of Iowa Code § 99F.3, Iowa Code § 99F.1(29) and 491 IAC 13.3(1). (Gambling games, sports wagering, and approval of sports wager)

- D. Betfair Interactive US LLC – For violations of Iowa Code § 99F.4(22). (Self-Exclusion)
- E. FanDuel, Inc. – For violations of Iowa Code § 99F.4(22). (Self-Exclusion)
- F. Digital Gaming Corporation USA – For violation of Iowa Code § 99F.13. (Annual audit of licensee operations)

11. PUBLIC COMMENT

12. ADMINISTRATIVE BUSINESS

- A. Horseracing Integrity and Safety Authority – Lasix Exemption
- B. Notice of Iowa Race Horse Aftercare Fund

13. ADJOURN

MEETING ANNOUNCEMENT

The Iowa Racing and Gaming Commission and staff will meet for dinner at 7:00 PM on Wednesday, January 24, 2024 at Houlihan’s located on property at Q Casino (563-585-5233).

Commission members and staff will be meeting with representatives from each licensed casino operator on an individual basis on Wednesday, January 24, 2024 and Thursday, January 25, 2024. The meetings on Wednesday will commence at 10:00 AM in the Gold/Diamond Room located in the Hilton Garden Inn at Q Casino, Dubuque IA, and may last throughout the day. The meetings on Thursday will commence at 10:00 AM at Diamond Jo Casino, Dubuque IA in a room that is still to be determined, and may last throughout the day.

Racing and gaming matters may be discussed at each of these functions, but no official action will be taken.

PUBLIC PARTICIPATION

Persons wishing to make a statement at a commission meeting may sign a sheet at the entrance to the meeting room and will appear during the agenda item titled “Public Comment”. This segment is intended for an individual to make a brief statement to the Commissioners supported by fact, on current issues, which are within the jurisdiction of the Iowa Racing & Gaming Commission. It is not intended to be a debatable item.

Anyone who wishes to appear and/or distribute material should submit a written request to the Commission office not later than ten business days before the scheduled meeting in accordance with rule 491-1.2(3). Information or material submitted must be in completed form. This rule is intended to provide the Commissioners and staff adequate time to study the submitted material and appropriately prepare for presentations.

RACING AND GAMING COMMISSION[491]

Adopted and Filed

The Racing and Gaming Commission hereby amends Chapter 1, “Organization and Operation,” Chapter 5, “Track, Gambling Structure, And Excursion Gambling Boat Licensees’ Responsibilities,” Chapter 6, “Occupational And Vendor Licensing,” and Chapter 8, “Pari-Mutuel Wagering, Simulcasting And Advance Deposit Wagering,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 99D.7, 99E.3 and 99F.4.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapters 99D, 99E and 99F.

Purpose and Summary

Items 1 to 5 and 7 clarify the administrator’s authority in proceedings.
Item 6 clarifies the types of licensees to which the rules are applicable.
Item 8 enhances licensee requirements for messaging to applicants/customers with regard to underage wagering and account sharing.
Item 9 enhances licensee requirements with regard to identifying and preventing wagering by prohibited persons and enhances reporting requirements by the licensee with regard to account sharing.
Items 10 and 14 enhance licensee requirements for account verification at registration.
Item 11 enhances responsibilities of licensees to detect potential fraudulent or suspicious activity.
Item 12 fixes a cross-reference issue caused by amendments in Item 10.
Item 13 adds a requirement of annual testing for geolocation system auditing.
Item 15 enhances licensee requirements with regard to identifying and preventing wagering by prohibited persons.
Item 16 enhances licensee requirements for messaging to applicants/customers with regard to underage wagering and account sharing.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on September 20, 2023, as ARC 7070C.
A public hearing was held on October 10, 2023, at 9 a.m. at Commission Office, Suite 100, 1300 Des Moines St., Des Moines, Iowa. No one attended to provide comments at the public hearing.
Comments were received by several stakeholders and information was gathered from the Iowa Bankers Association. Item 12 and proposed new paragraph 14.8(5)“b” and “c” within Item 17 were not adopted due to the comments received by those parties. Subsequent items and paragraphs within subrule 14.8(5) were reorganized. Additional changes from the Notice in Items 8 through 11 and 15 and 17 (renumbered as 14 and 16 herein) were incorporated that did not significantly change the meaning or intention of these amendments.

Adoption of Rule Making

This rule making was adopted by the Racing and Gaming Commission on January 25, 2024.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on March 27, 2024.

The following rule-making actions are adopted:

ITEM 1. Amend rule 491—4.1(17A) as follows:

491—4.1(17A) Scope and applicability. This chapter applies to contested case proceedings conducted by the racing and gaming commission. The chapter shall also apply to gaming boards' and board of stewards' proceedings and gaming representatives' or administrator's designees' actions.

ITEM 2. Amend rule 491—4.4(99D,99E,99F), catchwords, as follows:

491—4.4(99D,99E,99F) Gaming representatives and administrator's designees—licensing and regulatory duties.

ITEM 3. Amend paragraphs **4.4(2)“a”** and **“b”** as follows:

a. A ~~gaming representative shall make a~~ referral to the gaming board shall be in writing. The referral shall make reference to rules or statutory provisions at issue and provide a factual basis supporting the violation.

b. The gaming representative or the administrator's designee making the referral to the gaming board, or a designee of the gaming board, shall appear before the gaming board at the hearing to provide any information requested by the board.

ITEM 4. Amend subrule 4.4(7) as follows:

4.4(7) The gaming representative or the administrator's designee shall have other powers and duties set forth in the statutes and rules, and as assigned by the administrator.

ITEM 5. Amend subrule 4.5(3) as follows:

4.5(3) The gaming board, upon receipt of a referral, may review the referral prior to the hearing. The gaming board may return a referral to the initiating gaming representative or the administrator's designee on its own motion prior to hearing if the information provided appears insufficient to establish a violation.

ITEM 6. Amend subrule 4.5(9) as follows:

4.5(9) The gaming board has the power to interpret the rules and to decide all questions not specifically covered by them. The board has the power to determine all questions arising with reference to the conduct of gaming, sports wagering and fantasy sports contests, and the authority to decide any question or dispute relating to racing, ~~or gaming, sports wagering or fantasy sports contests~~ in compliance with rules promulgated by the commission or policies approved for licensees, and persons participating in licensed racing or gaming agree in so doing to recognize and accept that authority. The board may also suspend the license of any license holder when the board has reasonable cause to believe that a violation of law or rule has been committed and that the continued performance of that individual in a licensed capacity would be injurious to the best interests of racing or gaming.

ITEM 7. Amend subrule 4.5(13) as follows:

4.5(13) Informal settlements. A licensee may enter into a written stipulation representing an informed mutual

consent with a gaming representative or the administrator's designee. This stipulation must specifically outline the violation and the penalty imposed. Stipulations must be approved by the gaming board. Stipulations are considered final agency action and cannot be appealed.

ITEM 8. Amend subrule 13.2(4) as follows:

13.2(4) Public notice.

a. The public shall have access to the sports wagering rules, available wagers, odds or payouts, the payout period, and the source of the information used to determine the outcome of a sports wager. All licensees and advance deposit sports wagering operators shall require participants to follow the rules of play. The sports wagering rules shall be:

~~a-~~ (1) Displayed in the licensee's sports wagering area.

~~b-~~ (2) Posted on the internet site or mobile application used to conduct advance deposit sports wagering.

~~e-~~ (3) Included in any terms and conditions disclosure statements of the advance deposit sports wagering system.

b. During account setup and login, advance deposit sports wagering operators shall prominently display the following information on any interface that accepts wagers:

(1) Account sharing is prohibited. Each account holder must not share usernames or passwords with other people. Each wager made on an account shall be made by only the registered account holder and shall not be made on behalf of any other individual.

(2) Persons under the age of 21 are prohibited from wagering. No person shall attempt to circumvent account setup procedures designed to prohibit wagering from individuals under the age of 21. Registered account holders shall not attempt to assist in the placement of a wager by any individual under the age of 21.

(3) Any other disclosures, as required by the administrator.

ITEM 9. Amend subrule 13.2(7) as follows:

13.2(7) Internal controls. Licensees and advance deposit sports wagering operators shall submit a description of internal controls to the administrator. The submission shall be made at least 30 days before sports operations are to commence unless otherwise approved by the administrator. All internal controls must be approved by the administrator prior to commencement of sports operations. The operator shall submit to the administrator any changes to the internal controls previously approved at least 15 days before the changes are to become effective unless otherwise directed by the administrator. It shall be the affirmative responsibility and continuing duty of each licensee and advance deposit sports wagering operator and their employees to follow and comply with all internal controls. The submission shall include controls and reasonable methods that provide for the following:

a. To prohibit wagering by coaches, athletic trainers, officials, players, or other individuals who participate and persons employed in a position with direct involvement with coaches, athletic trainers, officials, players or other individuals who participate in an authorized sporting event in which wagers may be accepted. Licensees shall demonstrate the capability, subject to review and approval by the administrator, to prevent prohibited persons from wagering on events on which they are not allowed to wager by implementing one of the following:

(1) Organize and maintain a list of prohibited persons.

(2) Participate in a third-party association or group that organizes and maintains a list of prohibited persons.

b. To identify and suspend wagering by persons who are employed in a position with direct involvement with coaches, players, athletic trainers, officials, athletes or participants in an authorized sporting event in which wagers may be accepted accounts opened by individuals on behalf of persons under the age of 21.

c. No change.

d. To promptly report to the commission, in a format approved by the administrator, any abnormal wagering activity or patterns that may indicate a concern about the integrity of an authorized sporting event or events, and any other conduct with the potential to corrupt a wagering outcome of an authorized sporting event for purposes of financial gain, including but not limited to match fixing, and suspicious or illegal wagering activities, including the use of funds derived from illegal activity, wagers to conceal or launder funds derived from illegal activity, use of agents to place wagers, account sharing, or use of false identification. Integrity-monitoring procedures shall also provide for the sharing of information with other licensees, other governing authorities, and accredited sports governing entities by participating in an integrity-monitoring association or

group or by another method as approved by the administrator.

e. to i. No change.

ITEM 10. Amend subrule 13.5(2) as follows:

13.5(2) Account registration. A person must have an established account in order to place advance deposit sports wagers. The process for establishing an account is subject to the administrator's approval. An account may be established through on-site registration under procedures previously approved by the administrator, or through remote registration. To establish an account, an application for an account shall be signed or otherwise authorized in a manner approved by the administrator and shall include the applicant's full legal name, principal residential address, date of birth, last four digits of the social security number, and any other information required by the administrator. The account registration process shall also include:

a. No change.

b. ~~Player verification of legal name, physical address, and age to correctly identify account holders.~~ An applicant verification process that includes an exact match of the following:

(1) Date of birth, including month, date and year of birth.

(2) The last four digits of the social security number.

(3) Last name.

c. An applicant verification process that permits a flexible match by allowing the following:

(1) First name may include nicknames and abbreviations.

(2) Address may include abbreviations.

d. Authentication of identification by:

(1) Answering knowledge-based questions based on the applicant's public or private data; or

(2) Verifying that device ID and phone number match the applicant's publicly known data; or

(3) Comparing of valid government-issued ID to applicant's picture taken at time of account registration; or

(4) Another method as approved by the administrator.

~~*e.*~~ *e.* Verification that the ~~player applicant~~ applicant is not on the statewide self-exclusion list set forth in Iowa Code section 99F.4(22) prior to establishing an account.

~~*f.*~~ *f.* Availability and acceptance of a set of terms and conditions that is also readily accessible to the player before and after registration and noticed when updated. Notices shall include, at a minimum, the following:

(1) to (5) No change.

~~*g.*~~ *g.* Availability and acceptance of a privacy policy that is also readily accessible to the player before and after registration and noticed when updated and that includes, at a minimum, the following:

(1) to (4) No change.

~~*h.*~~ *h.* If an advance deposit sports wagering operator has an agreement with more than one licensee, the advance deposit sports wagering operator shall submit an agreement to the administrator that indicates the manner in which customer net receipts shall be assigned with its licensee partners. The agreement shall include all partnering licensees and their respective qualified sponsoring organizations, and the net receipts shall be allocated using one of the following methods:

(1) to (4) No change.

The agreement shall be made available for public inspection.

ITEM 11. Amend paragraphs **13.5(3)“b”** and **“e”** as follows:

b. Location detection procedures to reasonably detect and dynamically monitor the location of a player attempting to place any wager or perform other account activities as identified by the advance deposit sports wagering operator or licensee, related to an Iowa authorized account. Account activity-based location detection controls shall be informed by industry best practices and any commission guidelines for the detection of fraud of other unauthorized or illegal activity. The advance deposit sports wagering operator or licensee shall utilize and monitor geolocation activity to detect potential fraudulent and suspicious activity, which shall be reported in accordance with paragraph 13.2(7)“d.” A player outside the permitted boundary attempting to make a wager shall be rejected, and the player shall be notified. The confidence radius shall be entirely located within the permitted boundary.

e. Authentication for log in ~~through a username and password~~ using a multifactor authentication process or other secure alternative means as authorized by the commission. After successful log in, multifactor

authentication will need to be performed at least every fourteen days for each unique device. Processes for retrieving lost usernames and passwords shall be available, secure, and clearly disclosed to the player. Players shall be allowed to change their passwords.

ITEM 12. Amend subrule 13.5(7) as follows:

13.5(7) *Expiration or termination of an Iowa Code section 99F.7A operating agreement.* In the event an advance deposit sports wagering operating agreement between a licensee under Iowa Code section 99F.7A and another entity expires, terminates, or is no longer valid, notice of termination must be given to the commission and all customers affiliated with the licensee. A customer shall be given an opportunity to close an account. If the advance deposit sports wagering operator has an operating agreement with other licensees in the state of Iowa, the customer shall have the option to select another partner licensee to which their net receipts shall be assigned, or the customer's net receipts shall be assigned to any remaining partner licensees in accordance with an agreement submitted to the administrator pursuant to paragraph ~~13.5(2)“f.”~~ 13.5(2)“h.”

ITEM 13. Amend subrule 13.6(3) as follows:

13.6(3) *Annual testing.*

a. No change.

b. A geolocation system and integrity test shall be performed annually on the advance deposit wagering system.

(1) The testing organization must be independent of the licensee and the licensed geolocation vendor and shall be qualified by the administrator.

(2) The geolocation test shall be completed and the results submitted no later than March 31 of each year.

(3) Geolocation testing shall review existing licensee procedures for detecting and reporting fraudulent activity associated with any account activity detected by the geolocation system, and shall recommend updates to those procedures to align with any current or updated industry standard or commission guidance.

~~b-~~ *c.* At the discretion of the administrator, additional assessments or specific testing criteria may be required.

ITEM 14. Amend subrule 14.7(2) as follows:

14.7(2) ~~Customer verification of legal name, physical address and age to correctly identify account holders.~~

a. A customer verification process shall include an exact match of the following:

(1) Date of birth, including month, date and year of birth.

(2) The last four digits of the social security number.

(3) Last name.

b. A customer verification process shall permit a flexible match by allowing the following:

(1) First name may include nicknames and abbreviations.

(2) Address may include abbreviations.

c. A customer verification process shall authenticate identification by the following:

(1) Answering knowledge-based questions based on the applicant's public or private data; or

(2) Verifying that device ID and phone number match the applicant's publicly known data; or

(3) Comparing a valid government-issued ID to a photo of the applicant taken at the time of account registration; or

(4) Another method as approved by the administrator.

ITEM 15. Amend paragraph **14.8(1)“c”** as follows:

c. Restriction of entries from coaches, officials, athletes, contestants, or other individuals who participate in a game or contest that is the subject of an internet fantasy sports contest in which the outcome is determined, in whole or in part, by the accumulated statistical results of a team of individuals in the game or contest in which they participate. Licensees shall demonstrate the capability, subject to review and approval by the administrator, to prevent prohibited persons from participating in contests in which they are not allowed to participate by implementing one of the following:

(1) Organize and maintain a list of prohibited persons.

(2) Participate in a third-party association or group that organizes and maintains a list of prohibited persons.

ITEM 16. Amend subrule 14.8(5) as follows:

14.8(5) *Operating requirements.* A fantasy sports contest service provider shall ensure the following:

a. – f. No change.

g. Authentication for log in using a multifactor authentication process or other secure alternative means as authorized by the commission. After successful log in, multifactor authentication will need to be performed at least every fourteen days for each unique device. Processes for retrieving lost usernames and passwords shall be available, secure, and clearly disclosed to the player. Players shall be allowed to change their passwords.

h. During account setup and login, fantasy sports contest service providers shall ~~prominently~~ display the following information on any interface that accepts fantasy sports contest entries:

- (1) Account sharing is prohibited.
- (2) Persons under the age of 21 are prohibited from entering fantasy sports contests.
- (3) Any other disclosures, as required by the administrator.