

**IOWA RACING AND GAMING COMMISSION  
MINUTES  
JANUARY 25, 2024**

The Iowa Racing and Gaming Commission (IRGC) met on Thursday, January 25, 2024 at Diamond Jo Casino in Dubuque, Iowa. Commission members present were Daryl Olsen, Chair; Mark Campbell, Vice Chair; and members Julie Andres, Amy Burkhart and Alan Ostergren.

**APPROVE AGENDA:** Chair Olsen called the meeting to order at 8:33 AM and requested a motion to approve the agenda. Commissioner Ostergren moved to approve the agenda as presented. Commissioner Campbell seconded the motion, which carried unanimously.

**WELCOME:** Brad Cavanagh, Mayor of Dubuque welcomed everyone to Dubuque and commented on the incredible partnership between Diamond Jo and Q Casino. Alex Dixon, President of Q Casino then welcomed everyone as well and turned it over to Wendy Runde, General Manager of Diamond Jo. Wendy stated it was a pleasure to host the Commission meeting and welcomed everyone to Dubuque. She discussed the construction going on at Diamond Jo and offered to show anyone around that is interested in the construction project.

Chair Olsen thanked both facilities for hosting and thanked the Mayor for attending.

**APPROVE MINUTES:** Chair Olsen requested a motion to approve the minutes from the November 16, 2023 Commission meeting. Commissioner Burkhart moved to approve the minutes as printed. Commissioner Campbell seconded the motion, which carried unanimously.

Chair Olsen requested a motion to approve the minutes from the December 19, 2023 Commission meeting. Commissioner Ostergren moved to approve the minutes as printed. Commissioner Burkhart seconded the motion, which carried unanimously.

**ANNOUNCEMENTS:** Chair Olsen announced that they had planned to announce a new Administrator at this meeting but due to weather and time constraints on the Commissioners, they have postponed that for roughly 30 days. He apologized and stated that they will have a special meeting set up sometime between now and the March meeting and they will announce a new Administrator at that time.

Tina Eick, Interim Administrator, announced no meeting in February. The next meeting will be March 5<sup>th</sup>, 2024 at Prairie Meadows and the submission deadline for that meeting will be February 20<sup>th</sup>. The meeting after that will be at Harrah's in Council Bluff on April 18<sup>th</sup>.

The Commission move is still in process: it will hopefully be done next week. If any deliveries in the next couple days, call first to confirm where to deliver. Updates on the move will be made on the website.

Ms. Eick also took a minute to recognize field staff. At Q are Tracy Potter and Cathy Dillon, and at Diamond Jo are Joe Gau and Shawntel Schmitt. She stated they, and all the IRGC staff, are much appreciated.

**RULES:** Wes Ehrecke, President and CEO of the Iowa Gaming Association, approached the podium and indicated that some of his membership had questions on the proposed administrative rules. Specifically, on the prohibited participant rule, he asked for clarification on, which prohibited individuals needed to be identified and what an operator would need to do to maintain such a list. Ehrecke asked that a list just be required for the Division I universities in the state. Ehrecke acknowledged that his comments could have been and should have been indicated earlier in the public comment period but they were not so he is making those comments at this meeting.

Commissioner Campbell said the commission is most interested in maintaining the integrity of gaming in Iowa and understands this is a process, it will take time, and the commission and the industry will need to work together to get there. He stated the commission doesn't expect the industry to do this without the tools in place to do so.

Commissioner Ostergren reminded everyone that there is a process for promulgating rules which includes a period for public comment and a public hearing and the formality of that process needs to be observed. The commission can't start red lining the rules at this point in the process in this forum. Rather, the commission has to follow the Administrative Procedure Act in chapter 17A and the process for adopting rules so it is important for the industry to be mindful of that process and follow that process. He reiterated the commission does want feedback and that very helpful feedback was received during the formal process that did result in changes to the proposed rules. He encouraged the gaming association and all stakeholders to go through those steps. He stated the commission was committed to use these as rules of reason and to not be arbitrary in how the commission implements them. He said the commission can always amend them going forward.

Commissioner Burkhart asked Ms. Eick to share with the group how this rule would be implemented.

Ms. Eick said under the proposed rule the operators would submit a plan to the Commission to indicate how they would prohibit prohibited individuals from getting an account. There are a couple of options. They could create a list themselves or they could subscribe to a commercial service that will gather names. It is staff's understanding that there is at least one currently available commercial service that is actively gathering these names from all of those entities. She noted that it was understood that this would not be a complete list from the get go but rather a starting point. It was also noted that this was not required at retail sportsbooks as retail wagering was by its nature anonymous wagering.

Chair Olsen asked Ms. Eick to provide the Commission with a summary of the proposed rules. Ms. Eick presented the administrative rules that were up for adoption in final form by the Commission. She stated that rules originally came before the commission for notice of intended action last August. Since that time, a public hearing was held on the rules; no one attended. However, a lot of feedback was received during the formal comment period. Staff also specifically

sought input on account funding procedures from the Iowa Bankers Association. She recounted the comments received during the public comment period and the modifications made to the rules in response to the formal review process since last August. Specifically, the following changes were made:

- For Item 8 (Rule 13.2(4)), the rule was modified to specify that operators are required to display information regarding the prohibition on account sharing and underage gambling during account setup and login.
- For Item 9 (Rule 13.2(7)) the rule was modified to clarify operators are to identify and suspend accounts opened by individuals on behalf of persons under the age of 21.
- For item 10 (Rule 13.5(2)) the rule was modified to remove reference to an individual's full social security number to the last four digits of an individual's social security number as a part of the verification process.
- For Item 11 (Rule 13.5(3)) the rule was modified to clarify that procedures to detect and monitor account activity based on location detection controls shall be based on industry best practices and any commission guidelines for detection of fraud of other unauthorized or illegal activity. The rule was also modified to require that multifactorial authentication at log in must be done at least every fourteen days (as opposed to seven days).
- Item 12 was changed to update citations to another section based on these rule changes.
- Item 15 (Rule 14.7(2) – DFS rule) the rule was modified to remove reference to an individual's full social security number to the last four digits of an individual's social security number as a part of the verification process. It mirrors item 10 from above.
- Item 17 (Rule 14.8(5) DFS rule) portion of the rule requiring verification of outside financial account information prior to deposit or withdrawal of funds tabled consistent with a similar rule on the sports wagering side. Other portions of rules involving multifactorial authentication and notices required to be displayed by the operator during account setup and login were modified to be consistent with the corresponding sports wagering rules noted above.

Commissioner Burkhart reiterated that the commission has strong rules in place and these rules just provide extra layers of protection for the rules already in place. She also expressed appreciation for all the work that has been put into these rules in an effort to make the rules even stronger.

Hearing no further comments or questions, Chair Olsen requested a motion on the proposed rules. Commissioner Burkhart moved to adopt the rules as proposed. Commissioner Campbell seconded the motion, which carried unanimously.

**ADVANCE DEPOSIT SPORTS WAGERING AGREEMENT:** Rick Gilson, Chief Operating Officer for Wild Rose Entertainment, LLLP, presented an agreement between Sporttrade Iowa, LLC and the Wild Rose property located in Clinton, IA. He requested approval of the agreement as presented.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Ostergren moved to approve the agreement between Sporttrade Iowa, L.L.C. and the Wild Rose Clinton, LLC. Commissioner Andres seconded the motion, which carried unanimously.

**IOC BLACK HAWK COUNTY, INC.:** Chad Moine, General Manager for IOC Black Hawk County, Inc., presented a proposed operating agreement with their QSO, Black Hawk County Gaming Association.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to approve the proposed operating agreement. Commissioner Andres seconded the motion, which carried unanimously.

**CONTRACTS:**

**IOC Black Hawk County, Inc.:** Chad Moine, General Manager, presented the following contracts for Commission approval:

- NRT Technologies Inc. – ATM & Ticket Kiosk Agreement (OSV)
- Exela Enterprise Solutions, Inc. – Copy & Print Services
- Pinnacle Construction, Inc – General Contractor

Commissioner Campbell asked about the timeline of the remodel. Chad Moine said the original proposal had an estimated date of April but he anticipates the construction to be done in late June if not before.

Hearing no further comments or questions, Chair Olsen requested a motion. Commissioner Campbell moved to approve the contracts as submitted by IOC Black Hawk County, Inc. Commissioner Ostergren seconded the motion, which carried unanimously.

**IOC Bettendorf:** Chad Moine, General Manager IOC Black Hawk County, Inc., presented a contract with NRT Technologies Inc., an out of state vendor, for an ATM & Ticket Kiosk Agreement.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to approve the contracts as submitted by IOC Bettendorf. Commissioner Campbell seconded the motion, which carried unanimously.

**SCE Partners, LLC:** Doug Fisher, General Manager, presented the following contracts for Commission approval:

- KDG, Division of Shive-Hattery, Inc – Design company for design options for the current buffet space to an event center
- Masterminds, Inc. – Advertising and media buyer

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Andres moved to approve the contracts as presented by SCE Partners, LLC. Commissioner Campbell seconded the motion, which carried unanimously.

Dubuque Racing Association, Ltd.: Brian Rakestraw, Chief Operating and Finance Officer, presented the following contracts for Commission approval:

- Gaming Analytics Inc. – Analytical Software for Slot Play (OSV)
- MidWestOne Bank – ATM Agreement with Amendments

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to approve the contract as submitted by Dubuque Racing Association, Ltd. Commissioner Campbell seconded the motion, which carried unanimously.

Rhythm City Casino, LLC: Mo Hyder, General Manager, presented the following contracts for Commission approval:

- 7G Distributing – Beverage Purchase
- Blackhawk Network – BP Gas & Home Depot Gift Cards
- Grand Falls Casino & Resort – Support Services: Internal Audit, Regulatory Compliance & IT services (RP)
- King Food Services – Food Purchases
- Lagomarcino's – Chocolate/Candy
- MedOne Healthcare Systems – Prescription Drug Benefit Plan
- Myers-Cox - Cigarettes, Sundries & Candies
- Riverside Casino & Golf Resort - Support Services: Internal Audit, Regulatory Compliance & IT services (RP)
- TPI (The Printer Inc.) – Marketing Mailers
- UMR is a United Healthcare Company – Medical & Flexible Spending Plan
- US Postmaster – Postage for Mailers
- USA Entertainment – Booking Agency for Entertainers
- Wells Fargo Business Elite Card – Credit Card Purchases
- Zurich – Insurance Services

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to approve the contracts as presented by Rhythm City Casinos, LLC. Commissioner Andres seconded the motion, which carried unanimously.

Diamond Jo Worth, LLC: Robin Maxim, local counsel from Hopkins & Huebner, P.C., on behalf of Diamond Jo Worth, LLC. asked for approval of the purchase of the hotel that is commonly known as Country Inn and Suites from Worth County Hospitality, LLC.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Ostergren moved to approve the acquisition as submitted by Diamond Jo Worth, LLC. Commissioner Campbell seconded the motion, which carried unanimously.

Scott Smith, General Manager, presented the following contracts for Commission approval on behalf of Diamond Jo Worth, LLC:

- Kingland Construction – General Contractor
- Mastercraft Floor Covering, LLC – Casino Carpet Replacement (OSV)

Commissioner Burkhart asked about the reasoning for using an out of state vendor for the carpet replacement. Scott Smith responded that due to the complexity of the project and the timeline they needed, other in state vendors refused to even submit a bid. This company has the man power to get the job completed. This company works with gaming companies all the time.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Ostergren moved to approve the contracts as submitted by Diamond Jo Worth, LLC. Commissioner Andres seconded the motion, which carried unanimously.

Ameristar Casino Council Bluffs, LLC: Paul Czak, General Manager, presented a contract with Omni Centre LLC for an offsite warehouse lease.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to approve the contracts as submitted by Ameristar Casino Council Bluffs, LLC. Commissioner Andres seconded the motion, which carried unanimously.

Prairie Meadows Racetrack and Casino, Inc.: Gary Palmer, General Manager, presented the following contracts for Commission approval:

- ConvergeOne – Communication Equipment and Service
- Everi Payments. – Enrollment Kiosks (OSV)
- Gitchi Gaming – Gaming Equipment (OSV)
- IGT – Table Manager System Upgrade (OSV)
- Loffredo Fresh Produce – Food Products
- Midwest Ambulance – Ambulance and Emergency Medical Services
- Nascar Holdings (IA Speedway) – Race and Event Sponsorship
- Next Step Advertising – Advertising Agency
- Poindexter Flooring – Tile & Carpet Flooring
- Prenosil Concrete – Concrete Work
- RJ Kool Company – Ironer/Folder/Stacker System for Hotel Laundry (OSV)
- Skinner & Paschke, PLLC – Lobbyist Related Activities
- TC Millwork – Slot Machine Bases (OSV)
- Tony Cee Associates – Talent Booking Agency (OSV)
- Trane US (Des Moines Trane) – HVAC Equipment and Services

- Ziegler, Inc. – Maintenance Equipment

Hearing no further comments or questions, Chair Olsen requested a motion. Commissioner Ostergren moved to approve the contracts as submitted by Prairie Meadows Racetrack and Casino, Inc. Commissioner Campbell seconded the motion, which carried unanimously.

**PRAIRIE MEADOWS RACETRACK AND CASINO, INC:**

Advance Deposit Wagering Agreement: Gary Palmer, General Manager, presented the following agreements for Commission approval:

1. NYRabets, LLC
  - a. Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Ostergren moved to approve the Advance Deposit Sports Wagering Agreement as submitted by Prairie Meadows Racetrack and Casino, Inc. Commissioner Burkhart seconded the motion, which carried unanimously.
2. ODS Technologies, L.P. d/b/a TVG Network
  - a. Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Andres moved to approve the Advance Deposit Sports Wagering Agreement as submitted by Prairie Meadows Racetrack and Casino, Inc. Commissioner Campbell seconded the motion, which carried unanimously.
3. Xpressbet, LLC and the Iowa Horseman's Benevolent and Protective Association
  - a. Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to approve the Advance Deposit Sports Wagering Agreement as submitted by Prairie Meadows Racetrack and Casino, Inc. Commissioner Andres seconded the motion, which carried unanimously.

Request for Approval of the 45-Day Plan for the 2024 Mixed Meet: Derron Heldt, presented the 45-day plan for Commission approval:

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Campbell moved to approve the application for season approval and the contents contained within, contingent upon the immediate notification to IRGC staff any change of racing official positions and the completion of necessary IRGC license and DCI background checks of racing officials. Ostergren seconded the motion, which carried unanimously.

**HEARINGS:**

Ameristar Casino Council Bluffs, Inc.: Ms. Eick presented the Stipulated Agreement for violations of Iowa Code § 99F.4(22), and 491 IAC 5.4(5)"c". Paul Czak commented on the incident and accepted responsibility for their error.

Chair Olsen requested a motion. Commissioner Andres moved to approve the Stipulated Agreement with an administrative penalty of \$20,000. Commissioner Ostergren seconded the motion, which carried unanimously.

Rhythm City Casino, LLC: Tina Eick presented the Stipulated Agreement for violations of Iowa Code § 99F.4(22). Mo Hyder commented that the measures were in place for this but there was short sidedness on the employee in this particular situation.

Chair Olsen requested a motion. Commissioner Burkhart moved to approve the Stipulated Agreement with an administrative penalty of \$5,000.00. Commissioner Ostergren seconded the motion, which carried unanimously.

Betfair Interactive US LLC: Tina Eick presented the Stipulated Agreement for violations of Iowa Code § 99F.3, Iowa Code § 99F.1(29) and 491 IAC 13.3(1). Richard Cooper, Vice President of FanDuel, commented that there was a technical error and they have addressed the technical issue.

Chair Olsen requested a motion. Commissioner Ostergren moved to approve the Stipulated Agreement with an administrative penalty of \$10,000. Commissioner Campbell seconded the motion, which carried unanimously.

Betfair Interactive US LLC: Tina Eick presented the Stipulated Agreement for violations of Iowa Code § 99F.4(22). Richard Cooper commented they regret these violations and they now have a secondary process to help identify gaps in the system to identify self-excluded individuals. They have also implemented regular self-assessments that their team does to make sure it's working properly.

Chair Olsen requested a motion. Commissioner Campbell moved to approve the Stipulated Agreement on Count 1 with a check written to the State of Iowa for \$1,228.15 an administrative penalty of \$20,000 and on Count 2 a check written to the State of Iowa for \$101.00 and administrative penalty of \$20,000. Commissioner Ostergren seconded the motion, which carried unanimously.

FanDuel, Inc.: Tina Eick presented the Stipulated Agreement for violations of Iowa Code § 99F.4(22). Richard Cooper commented that they have implemented the same system they described earlier for Betfair Interactive US LLC.

Chair Olsen requested a motion. Commissioner Andres moved to approve the Stipulated Agreement for Count 1 an administrative penalty of \$20,000 and for Count 2 an administrative penalty of \$20,000 for a total of \$40,000. Commissioner Ostergren seconded the motion, which carried unanimously.

Digital Gaming Corporation USA: Tina Eick presented the Stipulated Agreement for violations of Iowa Code § 99F.13, for late audit. Kieron Frazier, Associate with GT Law, commented they acknowledge the violation and take full responsibility for the violation.

Chair Olsen requested a motion. Commissioner Burkhart moved to approve the Stipulated Agreement with an administrative penalty of \$10,000. Commissioner Ostergren seconded the motion, which carried unanimously.



**PUBLIC COMMENT:** There were no public comments.

**ADMINISTRATIVE BUSINESS:**

Horseracing Integrity and Safety Authority – Lasix Exemption: Chair Olsen called on Tina Eick, Director of Operations, to address the following items:

Tina Eick, said that the Commission has an opportunity to ask for an exemption to the use of furosemide. HISA has prohibited the use of Lasix in thoroughbred racing. HISA has allowed the state commission to ask for exemptions for up to 3 years. Last year the Commission asked for and received exemption for the 2023 racing season. The issue today is whether the commission would like to do that again, and if so for 1 year or 2 years.

John Moss commented that just doing 2024 would be his recommendation as federal laws are changing for 2025 and the commission will want to address it next year.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Andres moved to request for the exemption of HISA for the prohibition against the use of furosemide in covered horseraces as permitted in the act. Commissioner Campbell seconded the motion, which carried unanimously.

Notice of Iowa Race Horse Aftercare Fund: Tina Eick presented the notice of the request for proposals of the fiscal year 2024 Iowa Race Horse Aftercare Fund. She stated the fund had \$14,458 in it and the deadline for submissions was February 16, 2024 by 3:30 PM via email to [IRGC@Iowa.gov](mailto:IRGC@Iowa.gov).

**ADJOURN:** Chair Olsen adjourned the meeting at 9:38 AM.

MINUTES TAKEN BY:

  
CHANTELLE ARMINTROUT