

**IOWA RACING AND GAMING COMMISSION  
MINUTES  
APRIL 18, 2024**

The Iowa Racing and Gaming Commission (IRGC) met on Thursday, April 18, 2024 at The Mid-America Center in Council Bluffs, Iowa. Commission members present were Daryl Olsen, Chair; Mark Campbell, Vice Chair; and members Amy Burkhart, Julie Andres and Alan Ostergren.

**APPROVE AGENDA:** Chair Olsen called the meeting to order at 8:30 AM and requested a motion to approve the agenda. Commissioner Ostergren moved to approve the agenda as presented. Commissioner Burkhart seconded the motion, which carried unanimously.

**APPROVE MINUTES:** Chair Olsen requested a motion to approve the minutes from the March 5, 2024 Commission meeting. Commissioner Andres moved to approve the minutes as printed. Commissioner Campbell seconded the motion, which carried unanimously.

**WELCOME:** Thomas Roberts, Senior Vice President and General Manager, Harrah's Council Bluffs Hotel and Casino, welcomed the Commission to Council Bluffs. He thanked them for staying at Harrah's the night before and apologized for the hotel remodel not being finished. He said the renovations should be starting May 7<sup>th</sup> and it should be all completed by the end of the year. He announced that the Mayor was running late and might not be able to make it. He then introduced Brenda Mainwaring, President and CEO, Iowa West Racing Association.

Ms. Mainwaring welcomed everyone and said Council Bluffs is thriving and doing wonderful things. She asked that the board members in attendance at the meeting stand up to be recognized and thanked them for coming. She then shared a short slideshow that she said shows how they view Council Bluffs. After the slideshow she said she loves to share that to show how they are serving their community in ways that strengthen the community. She then shared three projects that have transformed Council Bluffs because of the thriving gaming community. One is free Wi-Fi that is offered to local students and residents and soon will be available in every neighborhood in Council Bluffs. The second is the Mt. Crescent Ski Hills that were awarded the 2023 Outstanding Attraction Award. This attraction has dramatically added to Council Bluffs tourism. And the third is a new multi mobile bridge that will run from Council Bluffs to Omaha. She said all of this is possible due to their partnership with their gaming partners.

Chair Olsen said he appreciates all that their organization does and thanked them for all of their hard work.

**ANNOUNCEMENTS:** Tina Eick, Administrator of IRGC, advised there would be no meeting in May. The next Commission meeting will be held at Wild Rose Clinton in Clinton on June 13, 2024. Submissions for that meeting are due by May 30, 2024.

Ms. Eick announced the following proposed meeting dates for Fiscal Year 2025:

- July 8, 2024                      Prairie Meadows Racetrack & Casino, Altoona

- August 29, 2024 Riverside Casino & Golf Resort, Riverside
- September 2024 No Meeting
- October 3, 2024 Isle of Capri, Bettendorf
- November 21, 2024 Catfish Bend, Burlington
- December 2024 No Meeting
- January 23, 2025 Wild Rose Jefferson, Jefferson
- February 2025 No Meeting
- March 6, 2025 Prairie Meadows Racetrack & Casino, Altoona
- April 24, 2025 Hilton Garden Inn, Council Bluffs (Horseshoe)
- May 2025 No Meeting
- June 19, 2025 Q Casino, Dubuque

She advised the upcoming July meeting will be held on a Monday afternoon, and the Commission will observe the races after the meeting.

Ms. Eick introduced the following staff members: Cory Ostermeyer and Melinda Bingham from Ameristar, Jeff Rethmeier and Lori Cap from Harrah's, and Bryan Crowdy, Steven Vang and Deb Kissel from Horseshoe. She thanked them for their work on behalf of the Commission.

**DUBUQUE RACING ASSOCIATION D/B/A Q CASINO:** Alex Dixon, President and CEO, presented three items that they were seeking approval on, their updated financing, security plan and remodel. He touched on what has already been done and the next steps. He said upon approval from the Commission they will break ground on their new hotel immediately.

Hearing no comments or questions, Chair Olsen requested a motion on financing. Commissioner Campbell moved to approve the financing as presented by Dubuque Racing Association d/b/a Q Casino. Commissioner Ostergren seconded the motion, which carried unanimously.

Chair Olsen requested a motion on the revised security plan. Commissioner Burkhart moved to approve the revised security plan as presented by Dubuque Racing Association d/b/a Q Casino. Commissioner Andres seconded the motion, which carried unanimously.

Chair Olsen requested a motion on the remodeling. Commissioner Ostergren moved to approve the remodeling plan as presented by Dubuque Racing Association d/b/a Q Casino. Commissioner Burkhart seconded the motion, which carried unanimously.

**CATFISH BEND CASINOS II, LLC:** Rob Higgins, General Manager, Catfish Bend Casinos II, LLC and Gary Hoyer, President & CEO, Great River Entertainment, LLC, requested approval of a remodeling plan. Mr. Higgins said the plan was to renovate their gift shop and move it to the foyer area which will be a much better location. He said the current gift shop area will then become a coffee shop, which is what it was previously.

Hearing no comments or questions, Chair Olsen requested a motion on the remodeling plan. Commissioner Burkhart moved to approve the remodeling plan as presented by Catfish Bend Casinos II, LLC. Commissioner Andres seconded the motion, which carried unanimously.

Mr. Higgins also requested approval of the amended and substituted Sports Book and Online Casino/Gaming Agreement, by and between PointsBet and Catfish Bend Casinos. Mr. Higgins said that Fanatics (parent company to PointsBet) is well known and he believes this will really push their retail and online wagering. He said he has worked with them and spent time with them and he is really excited about bringing them on board.

Chair Olsen requested a motion on the amended and substituted Sports Book and Online Casino/Gaming Agreement, by and between PointsBet and Catfish Bend Casinos. Commissioner Andres moved to approve the agreement as presented by Catfish Bend Casinos II, LLC. Commissioner Campbell seconded the motion, which carried unanimously.

**DIAMOND JO WORTH, LLC:** Scott Smith, General Manager requested approval of a remodeling plan. He presented the plans to remodel their Big Wheel Bar area. He said the area is 18 years old and needs to be updated. He said the remodel will create a bar/lounge area that will be more modern and comfortable and something the customers have been asking for. Upon approval they are wanting to get started right away and hopefully have it finished and be able to open up for football season.

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

**CAESARS ENTERTAINMENT, INC.:** Doug Gross, Member, BrownWinick Law Firm, presented their financing plans in an effort to improve Caesar's balance sheet over time. He said they have done substantial refinancing and paid off some of the legacy debt. He said all the debt is held by the holding company and so they need to pledge all the property to the guarantors. He said there is no additional debt being requested and in fact they are paying down debt.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Campbell moved to approve the joinder pledge financing as presented by Caesars Entertainment, Inc. Commissioner Burkhart seconded the motion which carried unanimously.

**IOC BLACK HAWK COUNTY, INC.:** Chad Moine, Senior Vice President/General Manager, requested approval of a second amendment to Sports Book Operating Agreement between IOC Black Hawk County, Inc., d/b/a Isle Casino Hotel Waterloo and American Wagering, Inc.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Ostergren moved to approve Second Amendment to Sports Book Operating agreement between IOC Black Hawk County, Inc. d/b/a Isle Casino Hotel Waterloo and American Wagering, Inc. conditioned upon the parties, prior to implementing the new operational structure, jointly submitting internal controls and procedures governing the responsibilities of each party for approval by commission staff. Commissioner Campbell seconded the motion, which carried unanimously.

**REVIEW OF FACILITIES' FINANCIAL AUDITS:**

Chair Olsen said that the Commission will hear from each of the facilities on the review of their financial audits. It is not something that the Commission needs to take action on rather it's just a report given by each entity. He said he is proud of the Commission as they took two days to meet with each of the entities earlier in the year to understand their capital needs, financing and concerns so they have already addressed a lot of these things. He stated that staff has already reviewed the audits so it is time to share anything special they might want to say.

Ameristar Casino Council Bluffs, LLC: Paul Czak, Vice President/General Manager, advised the audit was clean and had no material deficiencies or weaknesses. He said 2023 was a very successful year and the 4<sup>th</sup> quarter was the highest revenue quarter in the properties 28-year history. He said they expect their liquidity to remain strong in 2024. The company has no debt maturities until 2026. Mr. Czak said the debt to equity ratio will allow them to weather any financial down turns that may happen or take advantage of any opportunities that may come around. He also touched on the non-gaming revenue and said it was up 17%. He said that there is no way they would have been as successful as they were the last 18 months without the expansion of their non-gaming operations. Mr. Czak stated that after the last license becomes effective in Nebraska, he expects to be down about 25% for the remainder of the year and after that it should level off to about 20% before a ramp up to full or near full credit. He said whether that's years or months it is his and his team's job to make sure that ramp up is as short as possible.

Chair Olsen stated he is intrigued that the decrease in revenue is much smaller and he asked Mr. Czak to explain it or give his thoughts on that. He said maybe when Omaha opens it won't be as bad as he thinks. Mr. Czak said they have great teams, great properties and they have been doing it for a long time, so maybe it won't be 25%, but he thinks they need to be realistic about the potential loss.

Boyd Gaming Corporation:

Diamond Jo. LLC: John Sanchez, Director of Finance, said 2023 was a very successful year for them. He said both guest numbers and gross gaming revenue was up from 2022. He said that bettors were luckier in 2023 which led to an overall slight decline in their Sportsbook retail

revenue. He said non-gaming revenue continues to be a huge asset and total non-gaming revenue was up 18% from the prior year across the board. He said neither Diamond Jo properties have any stand-alone property debt. They ended 2023 with a very strong financial position. Mr. Sanchez touched on the challenges they expect for the current year. He believes those challenges will be inflation, high interest rates and economic uncertainty. He also believes expansions taking place around them could create some challenges as well.

Diamond Jo Worth, LLC: Scott Smith, General Manager, commented that their debt ratio for a company of their size is industry leading which they are very proud of. He said 2023 was a really successful year and ended up being their 2<sup>nd</sup> best year, which doesn't happen without the great team he gets to work with every single day. He discussed the slots being a major generator for the property and the importance of keeping slot play fresh. He said a year ago staffing was an issue, but today staffing is in a great position and they don't need to worry about closing down early. Having good team members makes it seem not as stressful. He then discussed the things they are adding on to build on to their future. He said January was a rough start to the year, but February and March were much better.

Caesars Entertainment, Inc.: Janae Sternberg, Vice President of Finance for Harrah's & Horseshoe, introduced Sally Rogers, Director of Finance at Isle of Capri Bettendorf, L.C. and Meagan Miller, Director of Finance at IOC Black Hawk County, Inc.

Ms. Sternberg advised the four Iowa properties had a clean audit. She said the company revenues continue to grow year over year and they continue to invest in new opportunities. She said 2023 was a very successful year for Horseshoe and Harrah's in Council Bluffs. It was their 3<sup>rd</sup> highest revenue year in property history. She discussed the property upgrades at both Harrah's and Horseshoe. She touched on the strides they have made to retain employees and she thinks they are positioned well as they wait for Omaha to open. She said they do expect to see declines in revenue in the Council Bluffs market due to competitors.

Ms. Sternberg said 2023 was also a very successful year for IOC Black Hawk County, Inc. They also reported the 3<sup>rd</sup> highest revenue in property history. She said their "market" located next to the hotel front desk is almost complete and they look forward to offering their guests that enhanced amenity. She said they will continue to work to attract guests and they expect similar results in 2024.

Ms. Sternberg said 2023 was a strong and successful year for Bettendorf as well. She said the non-gaming aspects of the business are extremely important to the property. Said the hotel and catering side had a record year in 2023 which they are very proud of. They are projecting a similar year for 2024.

Iowa West Racing Association (IWRA): Ms. Mainwaring introduced Jackie Dix, Controller, and said their auditor, KPMG, found no material weaknesses and no deficiencies. She said she already discussed their gaming and so she has nothing else to report but she would be happy to answer any questions.

Casino Queen Marquette, Inc.: Nick Walling, Director of Finance introduced Robin Corbeil, General Manager. He said 2023 was better than expected for table games and retail sports, but they did see a slight decline in slot revenue. He said they are excited about looking ahead at moving to land based, but they will experience some small disruptions during construction at the current entrance. He said they have plans in place to minimize the disruption.

Catfish Bend Casinos, LLC: Rob Higgins, General Manager, introduced Marty Bowen, Controller and said he deserves a lot of the credit for them having a clean audit for the first time in a while and therefore they are thrilled to have him on their team in that position. Mr. Higgins said 2023 was a great year. He said they have very low debt and in fact, no debt on the Catfish Bend Casino side. He touched on January 2024 being a rough month. He said they got 3 years of snow in one month, but they are fighting back and things look promising as March was a great month. Mr. Higgins said they have a very unique property and the expansion of Fun City and the courts project has been a fantastic addition for Southeast Iowa and Western Illinois. He said the tournaments they hold there on the weekends bring in a lot of people and the hotel is always very full. He said they are a small group in a small market but try to compete at the highest level. They try to bring everything they can to the community and he's looking forward to when the work is done and they can focus on the day to day business.

Dubuque Racing Association, LTD (DRA): Mr. Dixon was happy to report a clean audit. He said they have invested in some software to help them keep track of their assets as their company will double in size once the hotel is complete. He said they have seen some disruption in business due to the construction, but its what they expected would happen when taking out 50% of the gaming floor. They are on schedule for a summer opening and they are very excited about that. Mr. Dixon commented on the balance sheet and said they have a seven-million-dollar rainy day reserve, so although their debt is increasing, they have never been stronger in their cash balance. He said he looks forward to the future developments. He said it will take time but it will bode well for them in the future.

Elite Casino Resorts, LLC: Dan White, Chief Financial Officer, thanked the Commission for allowing him to present Elite's consolidated financial report for 2023, which includes Riverside Casino & Golf Resort, LLC, Grand Falls Casino Resort, LLC, Rhythm City Casino, LLC and the Elite Hospitality. He said revenues were flat for the year for the Iowa properties and sportsbooks. He said gaming revenue was down, offset by an increase in non-gaming revenue.

HGI-Lakeside, LLC: David Monroe, General Manager, introduced Marc Estrada, Director of Finance and said he has been with them for over a year and has been doing an amazing job. Mr. Monroe said 2023 was a successful financial year despite revenues being down. He said considering the renovation project going on and disrupting business, he considers it a foundation building year. He said January and February reflect this. He stated they have increased live entertainment and they are hosting more events in 2024 and he is feeling very optimistic for 2024. Mr. Monroe said their audit was clean with no significant findings.

SCE Partners, LLC: Andrew Limoges, Director of Finance, stated there was no material deficiencies in their audit and they take pride in the fact that there have been no deficiencies for several years in a row now. He said 2023 was a successful year for them. He said like many of their neighboring casinos they saw a decrease in revenue, but they were able to overcome a lot of challenges that came up this year. He said staffing continued to be a problem in 2023 as the labor pool in Sioux City is very much manufacturing. He said they took great strides in 2023 to make sure they have the workforce that they need to be able to continue. He said investing in non-gaming areas is great for them. They will continue to bring in great entertainment for their patrons.

Wild Rose Entertainment, L.L.L.P.: Brian Diver, President and Chief Executive Officer, introduced Steve Cody, General Manager, Wild Rose Emmetsburg, Rick Gilson, Vice President of Operations, and Travis Dvorak, General Manager, Wild Rose Jefferson. Mr. Diver said 2023 was a great year of growth. Gaming revenue was up mostly for slots and sportsbook, but also off-track betting in Clinton which had a strong year. Non-gaming revenue was also up, mostly driven by food and beverage, but also events at the property. He said financially they are in great shape with a strong balance sheet and low debt ratio. They continue strong in their refresh projects, both ones you can see and ones you can't see. He touched on their strong relationship with their QSO's and commented that they meet monthly. He said it was a good strong year, they are off to a good start in 2024 and look forward to a strong year this year as well.

Prairie Meadows Racetrack & Casino, Inc. (PMRC): Gary Palmer, General Manager, said they had another clean audit this year, and that 2023 was the best year they've ever had. He said they had a lot of renovations in 2023 and touched on a few of those renovations. He said the first three months were flat, but January started the year down quite a bit, so they are happy with that. He said their projections for the future are good. He said non-gaming areas are doing well. He commented that the hotel revenue was probably the best they have had since the hotel opened. Mr. Palmer said starting out the first quarter of 2024, food and beverage are making some remarkable changes that he is looking forward to.

**CONTRACT APPROVALS (OSV = OUT OF STATE VENDOR; RP = RELATED PARTY):**

Dubuque Racing Association, Ltd.: Mr. Dixon requested approval of the Amended and Restated Lease Agreement (RP) with the City of Dubuque.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Ostergren moved to approve the Amended and Restated Lease Agreement with the City of Dubuque as submitted by Dubuque Racing Association, Ltd. Commissioner Campbell seconded the motion, which carried unanimously.

Mr. Dixon also presented the following contracts for Commission approval:

- Assured Partners – Insurance: Commercial Property, Crime, Management Liability, Cyber and Builders Risk
- City of Dubuque – Chaplain Schmitt Island Project (RP)

- Cottingham & Butler Insurance – Insurance: General/Liquor Liability, Business Auto & Umbrella
- Midwest One Bank – Loan for Financing Chaplain Schmitt Memorial Project
- This is Iowa Ballpark, Inc. – Field of Dreams Sponsorship Agreement

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

Casino Queen Marquette, Inc.: Ms. Corbeil presented the following contracts for Commission approval:

- Canadian Pacific Railroad – Land Rental Fee
- Marquette Hotel Group, LLC d.b.a. Cobblestone – Hotel Rooms – Bookings and Rentals
- USA Security, Inc. – Surveillance Digital Recording System. Ongoing Service and Maintenance.

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

Riverside Casino & Golf Resort, LLC: Damon John, General Manager, presented the following contracts for Commission approval:

- Edward Don & Company – Dishwasher Hobart Flight Model
- MTI Distributing – Golf Course Equipment

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Ostergren moved to approve the contracts as submitted by Riverside Casino & Golf Resort, LLC. Commissioner Andres seconded the motion, which carried unanimously.

Horseshoe Casino: Mr. Roberts presented the following contracts for Commission approval:

- Comdata, Inc. – Electronic Gift Cards (OSV)
- Prairie Mechanical Corporation – Boiler Replacement (OSV)
- Waldinger Corporation – Mechanical, Electrical and Service Contractor

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

Wild Rose Jefferson, LLC: Mr. Dvorak presented a contract with Crane-Cummins-Allison for a Count Room Machine (with strapper) and On-Going Maintenance.



Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to approve the contract as submitted by Wild Rose Jefferson, LLC. Commissioner Andres seconded the motion, which carried unanimously.

Diamond Jo Dubuque: Mr. Sanchez presented the following contracts for Commission approval:

- Top Billing Entertainment, LLC – Entertainment Booking (OSV)
- Sysco Iowa, Inc. – Food & Beverage Purveyor
- NRT Technology – Cash Advance and Kiosk Services – Extension of Contracted Services Extended as per Agreement (OSV)
- Lifeline Audio Video Technologies – Bowling Alley AV Upgrade (OSV)

Commissioner Burkhart commented that she appreciated the extra narrative that they provided to go along with their out of state vendors.

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

Catfish Bend Casino: Mr. Higgins presented the following contracts for Commission approval:

- Atlantic Coca-Cola Bottling Company – Purchase of Coca-Cola Products
- Brockway Mechanical & Roofing – Roof Replacement of the Ballasted EPDM Roof at the Casino
- Conceptual Designs, Inc. d/b/a Within by Conceptual Designs – Design Work for the New Gift Shop and Fixtures and Design Work on the Casino Remodel
- Golden Eagle Distributing Company – Purchase of Beer
- Iowa Beverage – Purchase of Beer
- Martini's Grille – As part of various promotions, the casino will pay certain meals up to a pre-determined price (RP)
- Spirit Hollow Golf Course – As part of various promotions, the casino will pay green fees and the use of the course (RP)
- Winegard Realty Company – Contract Labor Services as Needed (RP)
- World Insurance Associates LLC – Purchase of Employee Health Insurance
- W.R. Faeth Wholesale – Purchase of Cigarettes

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Andres moved to approve the contracts as submitted by Catfish Bend Casino. Commissioner Campbell seconded the motion, which carried unanimously.

Ameristar Casino Council Bluffs, LLC: Mr. Czak presented the following contracts for Commission approval:

- Core BTS Core Care Services – Maintenance and Service Agreement of IT Infrastructure (OSV)
- Sysco Lincoln – Food Provider
- Schindler Elevator Corporation – Vertical Transportation Service

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

HGI-Lakeside, LLC: Mr. Monroe presented the following contracts for Commission approval:

- Golden Eagle Distributing Co. – Renewal for Continuation of Beer Purchases
- The Waldinger Corporation – Replace End of Life Units

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Andres moved to approve the contracts as submitted by HGI-Lakeside, LLC. Commissioner Campbell seconded the motion, which carried unanimously.

IOC Black Hawk County, Inc.: Mr. Moine presented a contract with Riley’s Flooring, Inc for flooring materials and labor.

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

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

- Electronic Communications Iowa, Inc. – Surveillance Cameras & Digital Recording System
- State of Iowa – Alcohol Beverages Division – Alcoholic Beverages
- W.A. Klinger, LLC – General Contractor for Updating the Buffet Space to Event Space. Plans to be shared as available.
- C3 Booking, LLC – C3 will become the main talent agency
- First American Bankcard, Inc. dba FABICash – Check Cashing & Cash Advance Services (OSV)
- Magnolia Hill, LLC dba Riverwalk Casino Hotel – Hard Rock is selling a craps table to Riverwalk. Riverwalk is Owned by Churchill Downs. (RP)(OSV)

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

Commissioner Campbell asked about them selling the craps table. Mr. Fisher said they are selling the craps table to one of their sister properties.

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

**HEARINGS:**

Rush Street Interactive IA, LLC: Ms. Eick presented the Stipulated Agreement for violations of Iowa Code § 99F.4(22) (Self-Exclusion) and 491 IAC 13.2(7)"e" (Failure to Report). This was a two-count violation. For Count 1, Commission staff conducted an audit on August 22, 2023 using the exclusion downloads report in the self-exclusion system and found a lapse in downloads, which was not reported to the Commission. For Count 2, Commission staff conducted an audit on November 27, 2023 using the exclusion downloads report in the self-exclusion system and found a lapse in downloads.

Laura McAllister Cox, Chief Compliance Officer for Rush Street Interactive, L.P. stated these were the result of human error. She said they have transitioned some of the responsible gaming staff, hired a new Responsible Gaming Manager, and brought on a Responsible Gaming Analyst, to try to make sure this does not happen in the future.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to approve the Stipulated Agreement with the following administrative penalties: Count 1 - \$5,000.00, and Count 2 - \$20,000.00. Commissioner Campbell seconded the motion, which carried unanimously.

Betfred Sports (Iowa) LLC: Ms. Eick presented 3 separate Stipulated Agreements for Betfred Sports (Iowa) LLC.

The first Stipulated Agreement was for violations of Iowa Code § 99F.9(7) (Credit Card Transactions). On April 8, 2023, Sightline, a third-party payment processor, discovered that one \$80 credit card transaction had been allowed to fund a Betfred Sportsbook account in Iowa.

Maile Keliikoa, Senior Director of Compliance, Betfred Sports (Iowa) LLC, explained the issue was limited to a specific credit card issuer and a block was added to prevent this from occurring again.

Commissioner Burkhart said that in 2022 operators that used Sightline had several violations similar to this and the Commissioners were under the impression they had control on this. She asked Ms. Eick for further information on this. Ms. Eick said that the licensees are tasked with working with the vendor to do periodic compliance checks. Credit card BIN numbers continually change so there are opportunities for some of them to unfortunately slip through, which is why the need for the continual compliance or checks. Ms. Eick said we do appreciate the fact that Betfred did that as part of their policy.

Hearing no further comments or questions, Chair Olsen requested a motion for the first stipulation. Commissioner Andres moved to approve the Stipulated Agreement with an administrative penalty of \$10,000.00. Commissioner Burkhardt seconded the motion, which carried unanimously.

The second Stipulated Agreement was for violations of Iowa Code § 99F.3, Iowa Code § 99F.1(29) and 491 IAC 13.3(1) (Impermissible Wagers). On February 8, 2023, Commission staff notified Betfred Sportsbook of a sports market they were offering for Super Bowl LVII, the result of each quarterback's first pass attempt. This is not an authorized wager by the Commission because of its ability to be determined by one person in one play.

Maile Keliikoa said in July 2023 they had a complete organizational change and are conducting annual training to avoid this in the future.

Hearing no comments or questions, Chair Olsen requested a motion for the second stipulation. Commissioner Andres moved to approve the Stipulated Agreement with an administrative penalty of \$10,000.00. Commissioner Campbell seconded the motion, which carried unanimously.

The third Stipulated Agreement was for violations of Iowa Code § 99F.3, Iowa Code § 99F.1(24) and (29) (Impermissible Wagers). On August 31, 2023, Betfred Sportsbook reported to Commission staff that wagering markets had been offered involving penalty cards given out in soccer matches. The issuing of penalty cards in a soccer match is an officiating-related decision. These are impermissible wagers as directly stated in the Commission's publicly approved wager list.

Maile Keliikoa said there were templates in place that were the problem. They have unmasked the trouble and the impermissible wagers were immediately reported.

Hearing no comments or questions, Chair Olsen requested a motion for the third stipulation. Commissioner Andres moved to approve the Stipulated Agreement with an administrative penalty of \$15,000.00. Commissioner Burkhardt seconded the motion, which carried unanimously.

Grand Falls Casino Resort, LLC: Ms. Eick presented the Stipulated Agreement for a violation of Iowa Code § 99F.9(5) (Minor). On June 11, 2023 an underage patron attempted to enter the gaming floor with valid identification which revealed he was underage. He was appropriately denied entry. However, he later attempted to again enter the gaming floor and was allowed to enter the gaming floor unchallenged. The patron was later identified as being underage and was escorted off the gaming floor after being on the gaming floor for 70 minutes and gambling at nine slot machines.

Sharon Haselhoff, Regional Vice President and General Manager, stated they take matters like this seriously. She acknowledged that staff did not do their job, but they are making sure this doesn't happen again. She said they have some staff that is no longer with them because they did not agree with their policies. They have a former DCI agent coming in to train employees on license verification to reduce incidents. She also apologized to the Commission.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Campbell moved to approve the Stipulated Agreement with an administrative penalty of \$20,000.00. Commissioner Burkhardt seconded the motion, which carried unanimously.

SCE Partners, LLC: Ms. Eick presented the Stipulated Agreement for a violation of Iowa Code § 99F.4(22) (Self-Exclusion). This was a two-count violation. For Count 1, on June 5, 2023 an individual completed a self-exclusion enrollment form at Hard Rock. The information should have been uploaded into the self-exclusion system on or before June 12, 2023, but it was not uploaded until June 13, 2023. For Count 2, on or about May 26, 2023 an individual contacted Hard Rock Sportsbook about his ability to place wagers through the Hard Rock Sportsbook app. On May 26, 2023, Hard Rock Sportsbook reported the information to Commission staff and immediately disabled the individuals sports wagering account. They also did an investigation into the incident.

Mr. Fisher commented on each count. For Count 1, he stated that there was a setting on their printer that prevented the information getting to the folks it was supposed to get to. They have since fixed the setting on the printer and added calendar reminders as well as instituted procedures to have staff double check the settings to avoid this happening again. For Count 2, he stated that this was an error on one team member and they have since implemented dual controls to avoid this from happening again.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Ostergren moved to approve the Stipulated Agreement with the following administrative penalties: Count 1 - \$5,000.00, and Count 2 - \$20,000.00. Commissioner Burkhardt seconded the motion, which carried unanimously.

Commissioner Ostergren did have a comment for not only SCE Partners, LLC but for the entire industry. He stated that he thinks the Commission needs to look at how the stipulations are broken up and how they are tying the fine to the conduct. He said the self-exclusion list goes directly to the integrity of the industry. He finds it deeply frustrating that we have a self-exclusion program and it's not effective at times. Commissioner Ostergren said he is going to be an advocate in the future for tying the penalty to the conduct a little more closely. He encouraged the industry to double their efforts on self-exclusion both at the physical facility and sportsbook.

#### **ADMINISTRATIVE BUSINESS:**

Approval of Horse Racing Promotion Fund: Ms. Eick advised there was one applicant for the Horse Racing Promotion Fund – the Iowa Thoroughbred Breeders and Owners Association (ITBOA). There is \$1,939.80 available for distribution. Ms. Eick requested approval of the distribution of the funds to the ITBOA.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Campbell moved to distribute the Horse Racing Promotion Fund to the ITBOA. Commissioner Ostergren seconded the motion, which carried unanimously.

Approval of Voluntary Implementation Agreement with the Horseracing Integrity and Safety Authority (HISA): Ms. Eick said this request is to renew the agreement from last year and amend the agreement for some housekeeping matters such as updating the administrative staff and veterinary staff. She said the agreement is between HISA and the Iowa Racing and Gaming Commission. The agreement allows Commission staff to execute the responsibilities directed by HISA, and specifically, for the state racing stakeholders to receive the \$374,000 assessment credit being offered by HISA with the balance to be paid by the stakeholders at \$841,000. Ms. Eick said that this is not a perfect situation but it is the only way for the racing stakeholders to receive the assessment credit. She stated Commission staff is already doing the work required in the agreement. In discussions with industry representatives, they have made it clear they would prefer Commission employees do the work rather than HISA. The amendment was sent to the stakeholders and staff did not receive any feedback prior to the meeting. It is staff recommendation to move forward with the agreement and the amendment to that agreement.

Chair Olsen asked Ms. Eick if the \$374,000 was a negotiated amount or if it was take it and leave it. Ms. Eick confirmed it's take it or leave it.

Hearing no further comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to enter into the Voluntary Implementation Agreement with HISA. Commissioner Ostergren seconded the motion, which carried unanimously.

**ADJOURN:** Chair Olsen adjourned the meeting at 10:11 AM.

MINUTES TAKEN BY:

  
CHANTELLE ARMINTROUT