

# **IOWA RACING AND GAMING COMMISSION**

## **MINUTES**

### **JULY 11, 2025**

The Iowa Racing and Gaming Commission (IRGC) met on Friday, July 11, 2025 at Prairie Meadows Racetrack & Casino in Altoona, Iowa. Commission members present were Chair Daryl Olsen, Vice Chair Mark Campbell, and members Amy Burkhart and Alan Ostergren.

**APPROVE AGENDA:** Chair Olsen called the meeting to order at 2:30 PM 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.

**APPROVE MINUTES:** Chair Olsen requested a motion to approve the minutes from the June 19, 2025 Commission meeting. Commissioner Burkhart moved to approve the minutes as presented. Commissioner Ostergren seconded the motion, which carried unanimously.

**WELCOME:** Derron Heldt, Vice President of Racing, welcomed the Commission and staff on behalf of the over 1,000 employees at Prairie Meadows. He said Prairie Meadows values the partnership they have with Iowa Racing and Gaming and they are proud to be a part of Iowa's racing and gaming community. He discussed the different events they had going on the weekend prior to the meeting and the large number of people they had attend the races that weekend. He said it takes all departments at Prairie Meadows to work together to put on a great show and provide great guest service. He thanked the Commissioners for their service and invited everyone to stay for live racing.

Chair Olsen commented that this is the third year in a row that the Commission meeting was scheduled close to a weekend so that they could enjoy live racing. He said being there and getting to experience that is important to them. He thanked the Commissioners for giving up some of their weekend to watch racing.

**ANNOUNCEMENTS:** Tina Eick, Administrator of IRGC, stated the next Commission meeting would be held at Riverside Casino & Golf Resort on August 28, 2025. Submissions for that meeting are due in the Commission's Des Moines office by August 14<sup>th</sup>. There will be no September meeting. The Commission will then meet at Rhythm City in Davenport, IA on October 2, 2025.

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

**Casino Queen Marquette, LLC:** Chair Olsen began by asking Robin Corbeil, General Manager, for a quick update on their construction process. Ms. Corbeil said they have some braces and cross structure starting to go up for the walls. They are also doing ground work and getting the plumbing in as well as foundation work. She said when it has been raining they just move inside and continue on the removal of all the things that need to come out. Ms. Corbeil said they are still on track for their February completion date.

Ms. Corbeil then presented a contract with Globalcom Technologies for procurement/installation of low voltage cabling and additional IT services at the new land-based Casino Queen Marquette.

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

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

- Cottingham & Butler Insurance – Insurance: General/Liquor Liability, Business Auto, Umbrella
- International Game Technology (IGT) – IGT Customer Agreement/Q Sportsbook (OSV)

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

Prairie Meadows Racetrack and Casino, Inc.: Mr. Heldt presented the following contracts for Commission approval:

- Davenport Group – Configuration and Mapping Services for Specialized Computer System Servers (OSV)
- Dell Marketing – Computer Equipment and Support (OSV)
- Eide Bailly – Variety of Computer Software

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

Grand Falls Casino Resort, LLC: Damon John, General Manager for Riverside Casino & Golf Resort, presented a contract with Harris Golf Carts Sales & Service for replacement of golf cart fleet, for Commission approval on behalf of Sharon Haselhoff.

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to approve the contract as submitted by Grand Falls Casino Resort, LLC. Commissioner Ostergren seconded the motion, which carried unanimously.

Iowa West Racing Association d/b/a Horseshoe Casino Council Bluffs: Janae Sternberg, Vice President of Finance, presented the following contracts for Commission approval:

- Alpha Video (Alpha Video & Audio, Inc.) – Provider for LUCI, a Video Distribution System (OSV)
- Eyman Plumbing – Plumbing Services (OSV)

Hearing no comments or questions, Chair Olsen requested a motion. Commissioner Campbell moved to approve the contracts as submitted by Iowa West Racing Association d/b/a Horseshoe Casino Council Bluffs. Commissioner Ostergren seconded the motion, which carried unanimously.

HGI-Lakeside, LLC: Dave Monroe, General Manager, presented a contract with Wyndham Hotels & Resorts for soft branding and reservation services with Wyndham brands for Commission approval.

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

Commissioner Burkhardt asked what hotel chain Lakeside was previously affiliated with. Mr. Monroe said it is currently Lakeside Hotel and Casino and it will remain that, but it will just be a Wyndham product. They will use the Wyndham reservation services and reward program. He said they were not previously affiliated with any chain.

#### **REVIEW OF HORSEMENS ORGANIZATION'S FINANCIAL AUDITS:**

The Iowa HBPA, Inc. and The Iowa HBPA Benevolent Trust: Jon Moss, Executive Director, started with a short video showing the backside of horseracing which he says is the soul of the racing industry. Mr. Moss said the HBPA continuously tries to promote the Iowa bred industry as part of what they are required to do under 99D and they try to hit that obligation by partnering with the Iowa Thoroughbred Breeders and Owners Associations (ITBOA). He said ITBOA has been doing an outstanding job encouraging individuals to come and participate and last year they had their best sale to date. Last August they just missed a million dollars in horse sales. They have another sale coming up this August, and they hope to hit that million dollar mark.

Mr. Moss also noted that they are working on partnering with the community. This year they created a new incentive. They are working with 4-H and Future Farmers of America (FFA) to develop a scholarship program which awards 12, \$1,000 scholarships to 4-H recipients and 12, \$1,000 scholarships to FFA recipients. The recipients are all high school graduates who are going to stay in Iowa and pursue studies with an emphasis on agriculture. Mr. Moss said the response to this has been great and they are really happy to be able to do this.

Mr. Moss said another thing they are doing is taking the study that IRGC conducted last year very seriously. They have had industry meetings and board meetings and lots of conversations to find the best steps to initiate some of the study's components, findings, or recommendations. He said this led them to team up with two very highly recognized individuals in the horse racing industry, Damon Thayer and Corey Johnsen. Mr. Moss gave a detailed look into these individuals' backgrounds and accomplishments.

Mr. Moss then discussed the benevolence component of the Iowa HBPA's work. He said they have continued their working relationship with Unity Point and also started working with a new

group called Vision to Learn. This is a national group that will come directly to the backside to conduct eye exams and provide glasses through the HBPA. In addition to that, they are also using a group called Dental Connections for the backside employees to get their dental needs fulfilled. This year they served 135-140 individuals and they hope to increase that number. Mr. Moss said they also teamed up with Caring Hands to provide a pantry Monday through Friday.

Commissioner Burkhardt commented that the Commission has toured the backside the last two years and it is very eye opening to see how many horses are back there and all the hard work that goes into the races. She then asked about these two individuals they have hired to conduct their own study and if there was an issue with the state funded study that led them to do their own study. Mr. Moss responded that it is not necessarily a study so much as it's trying to take the pieces and the components that are coming out of that study and trying to apply them. He said they are just looking at different components and trying to help the HBPA implement them.

Commissioner Burkhardt said to understand correctly, the state funded study was to look at all components of the industry, thoroughbreds, quarter horses and the casino itself, while the new study is more of a deep dive into the recommendations that were made as they pertain to thoroughbreds. Mr. Moss said his specific instruction was that they work for the thoroughbreds, however due to the relationship that they have with quarter horses and standard bred in the state of Iowa, it could positively impact them as well. Mr. Moss said they need to make this work for everyone because that is the way they have operated.

Commissioner Burkhardt asked what the anticipated delivery date for the study is. Mr. Moss replied that he is not sure as it is not really a study per se. He said they are analyzing it and coming back with some recommendations he thinks within the next month or two.

Commissioner Campbell asked about the forgiveness of debt listed in the audit, and what that would be. Mr. Moss explained that a number of years ago the HBPA decided they would help fund an organization to simulcast and to get that up and operational (Horsemen of Iowa Simulcasting Association). He said the HBPA decided to forgive part of that loan that helped them establish that company because of the working relationship the Greyhound Association still has with Iowa HBPA.

Iowa Quarter Horse Racing Enterprises, Inc. d/b/a Iowa Quarter Horse Racing Association; Tom Lepic, President, said things are fantastic right now. Everyone is extremely excited on the back side. He said everyone is always thankful they are at Prairie Meadows. Mr. Lepic said they are looking very closely at bringing a million dollar quarter horse race to Prairie Meadows. He then introduced Troi Mulford, Treasurer, to discuss the audit.

Ms. Mulford said after she submitted the audit she received some follow up questions so she wanted to address those. One question was a payment of \$40,000 made back to Prairie Meadows. She explained that they reserve five percent of entry fees to pay for hair testing and they over collected. Instead of keeping that money they put it back into their stakes race fund. They have done that for two years now and she suspects they may have to do it one more time to deplete the over collecting of those funds.

Ms. Mulford said another change they made last year was that they spent 21% of their budget on promotion and marketing and creating a new website. By doing this they were able to get rid of their old-fashioned newsletter, which in turn saved them on mailing costs.

Ms. Mulford said this year they are going to budget about 25% for production and marketing. She said they have had some success with that already and they are seeing it in the fact that the barns are full. One other thing they are bringing back is the youth days, where they invite the youth from the American Quarter Horse Association from Ottumwa for a couple of weeks to tour the backside.

Ms. Mulford also stated that in the past three years they have seen the number of Iowa bred foals go up by 32%. She said people are seeing how successful their program is and they are sending their horses here to race and it is really exciting.

Iowa Harness Racing Association: Jeff Carey, President, gave an overview of their season so far. He advised they are racing at nine different fairgrounds across the state with 36 race dates. He said this year they had 261 identified horses and 61 stallions standing in Iowa. He said they have 187 members in their association. The organization also started a YouTube channel a couple years ago, and it has continued to be a success as they are averaging about 700 hits a day.

Chair Olsen asked what the purse would be at a typical race for standard bred. Mr. Carey said they have an AB system. Most of their races go for \$7,000 and then they have a B class where cheaper horses can get in and don't have to race against veterans and those go for \$2,500. He said winner takes 45% and the top 5 are paid.

Following the presentation of the horsemen organizations' financial audits, Chair Olsen announced that the Iowa HBPA, Iowa QHRA, and Prairie Meadows are in negotiations on a new agreement for the racing season schedule next year, and that agreement is set to come before the Commission at the October meeting for approval. He asked Mr. Lepic, Mr. Heldt, and Mr. Moss if the three of them could jointly present at the August Commission meeting in Riverside, to give an update on the status of those negotiations. They all agreed to be at the August meeting.

Mr. Moss said he also wanted to take a moment to announce they are in the middle of an economic impact study this year. He said they did one about nine years ago and it was time to update it. He thanked his fellow breeds and Prairie Meadows for coming together and continuing to work on this. He said it will likely not be done until the end of the calendar year and he hopes to have a presentation prepared for the beginning of next year once they've had a chance to finalize the numbers.

## **HEARINGS:**

Betfair Interactive US LLC: Ms. Eick presented the Stipulated Agreement with Betfair Interactive US LLC for five counts for violations including 491 IAC 13.2(2)(e), 491 IAC 13.3(1), 491 IAC 13.2(3), 491 IAC 13.2(7) promulgated pursuant to Iowa Code § 99F.3, Iowa Code § 99F.1(29) and Iowa Code § 99F.4(27). Counts one through four all involved impermissible wagers. Count five involved a responsible gaming issue as well as an issue of not following internal controls and representations made to the Commission and the public.

Ben Roth, Director on the regulatory team for FanDuel, said they take great pride in their approach to market compliance and responsible gaming and they take responsibility for the matters represented before the Commission and understand they did not meet the high standards they hold for themselves. He said in response to these issues FanDuel has worked to remediate the various root causes through a combination of manual remediation efforts that include increased training, more detailed checklists, and automation wherever possible to avoid the potential for manual error. He said they take each instance as an opportunity to take a step back and take a broader look at potential areas for improvement.

Commissioner Burkhart said four of these counts were not self-reported but rather issues IRGC staff caught during a compliance check, so she wanted to know how staff decides who and when to conduct these compliance audits and checks. Ms. Eick said there is a regular cadence where the compliance manager for sports wagering puts out a monthly check and it's usually an offering that is likely to cover markets that all of the sports books would offer. Commissioner Burkhart asked if she was referring to popular sporting events such as March Madness and Ms. Eick responded that is correct all licenses are checked at the same time.

Commissioner Campbell said on count five it took them 64 days to notify staff and asked why that was. Mr. Roth said that particular issue was incredibly complex. He said they were doing an investigation to try and establish whether there was a breach which was essentially trying to prove a negative. He said they were trying to make a determination as to what customers may have tried to attempt to register through several roundabout investigative methods.

Commissioner Burkhart asked if they are seeing these same rates of impermissible wagers being offered in other states that they operate in, or does Iowa have a unique subset of rules that is causing this to happen more frequently. Mr. Roth said every state has a unique catalog and they go to great efforts to operate compliantly in each of those states within those catalogs.

Commissioner Ostergren said the answer to the delay in reporting on count five was not acceptable to him. He said the fix was made two days later but the Commission was not notified for 64 days. He wanted to know why staff was not notified if the fix was made. Mr. Roth said they noted the technical issue but it took more time to try to determine where there was an impact of that technical issue. Commissioner Ostergren said there did not seem to be any technical reason why they couldn't have reported to Commission staff within 72 hours that the issue had been found and fixed. Mr. Roth said the delay was a determination of whether there was a substantive issue as

opposed to a technical backend issue that did not have any impact, but Commissioner Ostergren's point is understood. Commissioner Ostergren said he would feel a lot different about this violation if they had reported it within 72 hours and in the future, he suggested they commit to notifying staff even if they don't necessarily know that a gambler was prevented from excluding themselves. Mr. Roth said he understood.

Commissioner Ostergren said another concern he had was with the first count and not being able to return some wagers due to the fact that the gambler was unknown, such as someone who wagered at a kiosk. He said he appreciates the fact that FanDuel took the initiative to donate those wagers, but he thinks the proper procedure would be to remit those funds to the general fund as unknown-owner property. Commissioner Ostergren said he would like to see that change made before they move forward. Chair Olsen asked if that was something that they could change on the stipulated agreement. Mr. Roth said that would be acceptable.

Chair Olsen said in the last two years Betfair has had two stipulations come before the Commission, four that had gone before the gaming board, and now today they have five counts. He said that is sloppy at best. He said in fairness to the brick and mortar casinos, if this had been one of them the Commission would be hammering them. He said in fairness this cannot continue to happen. Commissioner Campbell thanked Mr. Roth for coming and said it's not a good day with penalties potentially being assessed, but he appreciates Mr. Roth coming and providing the information.

Hearing no further comments or questions, Chair Olsen requested a motion. Commissioner Burkhart moved to approve the Stipulated Agreement with Betfair Interactive US LLC for Count 1 with an administrative penalty of \$20,000.00, for Count 2 with an administrative penalty of \$25,000, for Count 3 with an administrative penalty of \$25,000, for Count 4 with an administrative penalty of \$25,000 and for Count 5 with an administrative penalty of \$30,000. Commissioner Campbell seconded the motion, which carried unanimously.

Chair Olsen thanked Mr. Roth for coming and reiterated that the Commission expects regular compliance from its licensees.

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

**ADMINISTRATIVE BUSINESS:** There was no administrative business.

**ELECTION OF CHAIR AND VICE CHAIR:** Commissioner Campbell nominated Amy Burkhart to serve as Vice Chair for the upcoming year. Commissioner Ostergren seconded the motion, which carried unanimously.

Commissioner Burkhart nominated Mark Campbell to serve as Chair for the upcoming year. Commissioner Ostergren seconded the motion, which carried unanimously.

**ADJOURN:** Hearing no further business to come before the Commission, Chair Olsen adjourned the meeting at 3:33 PM.

MINUTES TAKEN BY:

---

CHANTELLE ARMINTROUT