

Red Tape Review Rule Report (Due: September 1, 20 26)

Department Name:	Iowa Racing and Gaming Commission	Date:	10/7/25	Total Rule Count:	7 rules in chapter 8
IAC #:	491	Chapter/ SubChapter/ Rule(s):	8	Iowa Code Section Authorizing Rule:	99D.7, 99D.9A, 99D.9C, 99D.9D, 99D.11, 99D.15
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PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

IRGC promulgated chapter 8 to provide details about regulation of pari-mutuel wagering under Iowa Code chapter 99D; to establish guidelines for simulcasting races taking place both inside and outside of Iowa; to establish parameters for advance deposit wagering; and to accommodate alternative simulcast operators contemplated by Iowa Code chapter 99D.

Is the benefit being achieved? Please provide evidence.

Chapter 8 is achieving its purpose. According to a detailed study and report obtained by IRGC in August 2024 (available on the IRGC website at <https://irgc.iowa.gov/publications-reports/analyses-reports-and-studies>), since 2020, Prairie Meadows Racetrack and Casino has seen between \$38 million and \$46 million each year in handle on horse racing. Prairie Meadows is the only racetrack in Iowa that is still running live races.

In the racing and wagering context, the word “handle” means the aggregate dollar amount of wagers accepted each year. See *Neb. State Bd. of Agric. v. Neb. State Racing Comm’n*, 478 N.W.2d 270, 274 (Neb. 1992) (adopting this definition for the phrase “total annual parimutuel handle” under Nebraska law). The large majority of this amount of handle is “off-track” wagering, either through simulcasting or advance deposit wagering.

In turn, this level of wagering results in several hundred thousand dollars in tax revenues for the State each year. Division IX of Senate File 659 (<https://www.legis.iowa.gov/legislation/BillBook?ga=91&ba=sf659>), passed in the 2025 legislative session, earmarked some of these funds for a specific purpose.

Four advance deposit wagering operators (Churchill Downs Technology Initiatives Company; ODS Technologies L.P. d/b/a TVG Network; NYRabets, LLC; and Xpressbet, LLC) currently hold licenses. There is currently one licensed alternative simulcast operator: Horsemen of Iowa Simulcasting Association.

What are the costs incurred by the public to comply with the rule?

The costs to the public to comply with chapter 8 are minimal to nonexistent. Instead, chapter 8 sets parameters for licensed racetracks, simulcast operators, and advance deposit wagering operators. Thus, the costs of complying with chapter 8 fall not on the public generally, but on entities affirmatively seeking to obtain or maintain an Iowa license, who must comply with chapter 8 as a condition of obtaining and maintaining the license.

What are the costs to the agency or any other agency to implement/enforce the rule?

The primary agency cost to implement and enforce chapter 8 is personnel costs for staff whose duties include oversight of the relevant areas.

Do the costs justify the benefits achieved? Please explain.

The costs justify the benefits. Chapter 8 helps to ensure that wagering activity in Iowa is conducted with integrity.

Are there less restrictive alternatives to accomplish the benefit? ☐ YES ☒ NO

If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.

Gambling activity historically has been regulated closely to prevent the intrusion of corrupting influences and ensure that the gambling activity remains fair for consumers who choose to partake. Less restrictive alternatives to chapter 8 might risk removing some of those safeguards and undermining the preventive policy goals.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]

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Some definitions of specific terms are either duplicative of statutory language or unnecessary to define separately. These are proposed for removal.

Some subrules or subparagraphs were rescinded in prior rulemaking, but have not been removed from the chapter. These placeholders are now obsolete or outdated and can be removed, with the rest of the chapter renumbered appropriately.

In addition, some rule language is obsolete, outdated, duplicative, or redundant. These examples are listed below and are proposed for repeal.

RULES PROPOSED FOR REPEAL (list rule number[s]):

8.2(5)—previously rescinded and reserved in 2023, can now be removed from chapter
 8.2(9)—redundant, can be combined / consolidated with existing 8.2(8)
 8.2(13)(g)(1)—can be consolidated into existing 8.2(13)(g)
 8.2(16)—obsolete / outdated
 8.3(3)—redundant, can be combined / consolidated with existing 8.2(8)
 8.6(1)(d)(7)—duplicative, can be combined / consolidated with existing 8.6(1)(d)(8)
 8.6(1)(f)—redundant, already encompassed within existing 8.6(1)(d)(8)
 8.6(2)(b) through (f)—outdated, can be shortened and made uniform by cross-referencing chapter 13

RULES PROPOSED FOR RE-PROMULGATION (list rule number[s] or include rule text if available):

All other rules in chapter 8.

****For rules being re-promulgated with changes, you may attach a document with suggested changes.***

METRICS

Total number of rules repealed:	10 subrules or subparagraphs
Proposed word count reduction after repeal and/or re-promulgation	1017 (7985 current word count; 6968 after repeal and re-promulgation)
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	81 “shall”; 3 “must”; 3 “require”; 11 “prohibit”

ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?

None related to chapter 8.