

Red Tape Review Rule Report

(Due: September 1, 20 26)

Department Name:	Iowa Racing and Gaming Commission	Date:	7/15/26	Total Rule Count:	7 rules in chapter 1
IAC #:	491	Chapter/ SubChapter/ Rule(s):	1	Iowa Code Section Authorizing Rule:	22.11, 99D.6, 99D.7, 99D.8, 99D.8A, 99D.9, 99E.3, 99E.4, 99E.5, 99F.4, 99F.4B, 99F.5, 99F.6, 99F.7, 99F.7A, 99F.17
Contact Name:	Barb Blake	Email:	barb.blake@iowa.gov	Phone:	515-281-7355

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

IRGC promulgated chapter 1 to set forth basic organizational information about the Commission. In addition, chapter 1 contains information about the types of forms the Commission maintains, as well as license criteria for prospective applicants seeking a license for a racetrack or gambling structure and existing licensees seeking license renewal. Chapter 1 also contains some procedural rules addressing open records and waivers from other Commission rules.

Is the benefit being achieved? Please provide evidence.

Yes. The Commission holds many public meetings around the state each year and reviews each application (initial or renewal) that it receives. For example, in calendar year 2025 the Commission held 10 public meetings and, as of June 2026, has held or plans to hold 8 meetings in calendar year 2026. In addition, as reflected in Commission meeting minutes, the Commission granted a gambling structure application in February 2025, and renewed licenses for 19 other racetracks, gambling structures, or excursion boats over the course of the calendar year.

Past Commission meeting dates and minutes are available on the Commission's website.

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

The costs to the public to comply with chapter 1 are minimal to nonexistent. Instead, chapter 1 sets some costs for license applicants. Thus, the costs of complying with chapter 1 fall not on the public generally, but on entities affirmatively seeking to obtain or maintain an Iowa license.

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

In the past, the primary cost to the agency had been absorbing amounts above a \$25,000 application fee with the Commission's budget whenever a new application was submitted. A recent change to chapter 1

increased the application fee to \$250,000. This change will likely reduce costs to the agency in any future application cycles, because it will shift more costs to the applicant rather than requiring IRGC's budget to absorb those costs.

Additional agency costs to implement and enforce chapter 1 include personnel costs for staff whose duties include oversight of the relevant areas, such as those reviewing initial or renewal applications, or counsel to advise on compliance with open meeting procedures.

Do the costs justify the benefits achieved? Please explain.

The costs justify the benefits. Allocating application review costs to the specific applicant matches other highly regulated fields (such as public utilities). In addition, because IRGC's budget consists, in significant part, of regulatory fees paid by existing licensees under Iowa Code section 99F.20, allocating application review costs to the specific applicant may mean existing licensees will see a corresponding reduction in their own assessed regulatory fees under Iowa Code section 99F.10(4)(e).

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.

A major function of chapter 1 is to set forth criteria the Commission will utilize when evaluating applications. It would be less restrictive to forego including any criteria in a rule. However, addressing a license application *without* any established criteria would make applicants less able to prepare a quality application. In addition, a rule that lacks more detailed licensing criteria might make an unsuccessful applicant more likely to succeed if they were to challenge a license denial and allege the Commission's decision was arbitrary or capricious.

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 rules or subrules are duplicative of statutory language. These are either proposed for removal, or proposed to be re-worded with a simple reference to the applicable statute.

One rule was rescinded in 2004 but has not been removed from the chapter. This placeholder is now obsolete and can be removed, with the rest of the chapter renumbered appropriately.

Two rules (1.4 and 1.8) were legislatively repealed as of July 1, 2026, under Senate File 2463. The content of these rules is proposed for removal, with rules numbered 1.4 and 1.8 (even after renumbering the chapter) marked "Reserved."

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

1.2(2)(c)—duplicative of statute
1.2(3)(a)—inconsistent with statute
1.2(3)(e)—unnecessary, can be removed
1.3—can be consolidated into existing 1.2(1)
1.4—legislatively repealed as of July 1, 2026, under Senate File 2463
1.6—previously rescinded and reserved in 2004, can now be removed from chapter
1.8—legislatively repealed as of July 1, 2026, under Senate File 2463

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

All other rules in chapter 1, with the chapter renumbered accordingly. In addition, the content of existing rule 3.14 is proposed to be moved to chapter 1 and included as new rule 1.6 after renumbering.

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

METRICS

Total number of rules repealed:	4 rules, 3 additional subrules or subparagraphs
Proposed word count reduction after repeal and/or re-promulgation	2245 (4978 current word count; 2733 after repeal and re-promulgation)
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	64 “shall”; 3 “must”; 12 “require”

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

None related to chapter 1.