

Red Tape Review Rule Report

(Due: September 1, 20 26)

Department Name:	Iowa Racing and Gaming Commission	Date:	7/15/26	Total Rule Count:	16 rules in chapter 12
IAC #:	491	Chapter/ SubChapter/ Rule(s):	12	Iowa Code Section Authorizing Rule:	99D.7, 99D.9, 99D.13, 99F.4, 99F.4A, 99F.4B, 99F.5, 99F.7
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?

Chapter 12 establishes accounting and cash control standards for facility licensees, including for table and slot drops and for counting the money the casino takes in. Chapter 12 also sets requirements for facilities' internal controls, which are detailed procedures the facility should follow to address any number of scenarios (routine or otherwise).

The chapter creates a benefit by establishing a minimum standard to ensure integrity and prevent casino cages, vaults, or other financial sources from becoming infiltrated or compromised by bad actors.

Is the benefit being achieved? Please provide evidence.

Yes. Although the Commission occasionally takes administrative action against licensees for failure to follow their internal controls, these incidents have been focused in recent years on relatively minor infractions. There have been no major failures involving fraudulent accounting or missing casino funds in recent history.

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

Public compliance costs are minimal to nonexistent. Instead, costs of compliance are borne by the licensees. Their compliance with chapter 12 is a condition of obtaining and maintaining a license.

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

The primary cost to the agency to implement and enforce chapter 12 is the personnel cost for staff whose duties include oversight of the relevant areas.

Do the costs justify the benefits achieved? Please explain.

Yes. The costs justify the benefit of ensuring that casino operations are conducted with integrity and can be trusted by those players who wish to participate.

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.

Some rules in chapter 12, particularly those requiring certain types of dispensers and containers related to fill slips or jackpot slips, are inflexible and require equipment that may no longer be easily obtainable. The proposed re-promulgation of chapter 12 addresses this issue and allows facilities to propose alternative methods in their internal controls that are submitted for Commission approval.

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]

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

Some definitions are either duplicative of statute, unnecessary, or obsolete. These are proposed for removal.

Some other language in the chapter refers to “hopper fills” and is outdated. Hopper fills involve physical coins that formerly were dispensed from slot machines. No facility in Iowa currently offers any slot machines that require hopper fills; instead, they utilize machines that accept currency and dispense *tickets* reflecting the value for which they can be redeemed at the cage or a redemption kiosk. Because hopper fills are an outdated procedure, language referring to them is proposed for removal.

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

12.4(3)—unnecessary in light of other proposed changes
12.10(1)(f)—outdated / obsolete
12.10(2)—outdated / obsolete
12.10(2)(a)—outdated / obsolete
12.10(2)(b)—outdated / obsolete
12.10(2)(c)—outdated / obsolete
12.10(2)(d)—outdated / obsolete
12.13(3)(a) and (b)—outdated in part; propose consolidating the subparagraphs into 12.13(3)
12.15(6)(c)(2)—outdated / obsolete

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

All other rules in chapter 12.

***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	423 (7551 current word count; 7128 after repeal and re- promulgation)
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	70 “shall”; 8 “require”

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

None related to chapter 12.