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

Department Name:	Iowa Racing and Gaming Commission	**Date:**	6/30/26	**Total Rule Count:**	14 rules in chapter 14
IAC #:	491	**Chapter/ SubChapter/ Rule(s):**	14	**Iowa Code Section Authorizing Rule:**	99E.3, 99E.4, 99E.5, 99E.8, 99E.9
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 14 establishes guidelines and licensing requirements for internet fantasy sports contest operators.

Is the benefit being achieved? Please provide evidence.

Chapter 14 is achieving its purpose. There are currently 2 licensees offering internet fantasy sports contests. (https://irgc.iowa.gov/licensing-information/fantasy-sports)

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 14 is a condition of obtaining and maintaining a license to offer internet fantasy sports contests.

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 14 is the personnel cost for staff whose duties include oversight over the relevant areas.

Do the costs justify the benefits achieved? Please explain.

Yes. Chapter 14 sets important regulatory expectations for Iowa's licensed fantasy sports operations.

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.

Under Iowa Code section 99E.5(4)(*b*), fantasy sports operators receive a tax credit in the amount of the regulatory fee. This has meant that fantasy sports operators pay very little if any Iowa taxes each year. For example, the State collected a total of $742.19 in taxes from fantasy sports operators in the fiscal year ending June 30, 2025 and a total of $155.90 in the fiscal year ending June 30, 2024. The low net tax payment demonstrates that the Commission's rules are not unduly restrictive.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language?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 duplicative of statutory language. These are proposed for removal. Other language in chapter 14 that duplicates a statute has been proposed for reduction to refer back to the statute.

One rule and one subrule were unnecessary to remain as separate provisions. These have been proposed for consolidation into another subrule.

Two subrules were redundant and are proposed for consolidation within the rule.

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

14.2(1)(*a*) and (*b*)—duplicative of statute, propose consolidating into 14.2(1) and referencing the Code
14.2(4)—duplicative of statute, propose consolidating into 14.2(3) and referencing the Code
14.3(1) and (2)—redundant, can be consolidated
14.5—redundant and duplicative of statute, can be consolidated into 14.2(3) and reference the Code
14.8(3)(*a*) through (*e*)—duplicative of statute, propose referencing the Code

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

All other rules in chapter 14.

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

METRICS

Total number of rules repealed:	1, plus 17 additional subrules or subparagraphs
Proposed word count reduction after repeal and/or re-promulgation	1101 (6367 current word count; 5266 after repeal and re-promulgation)
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	32 "shall"; 1 "must"; 3 "require"

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

None related to chapter 14.