

## Red Tape Review Rule Report (Due: September 1, 2025)

<b>Department Name:</b>	Revenue (Iowa Lottery Authority)	<b>Date:</b>	8/23/2024	<b>Total Rule Count:</b>	33
<b>IAC #:</b>	531	<b>Chapter/ SubChapter / Rule(s):</b>	1 and 2	<b>Iowa Code Section Authorizing Rule:</b>	99G.9, 99G.25, 99G.30
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**PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE**

**What is the intended benefit of the rule?**

These rule chapters are intended to house general rules governing the operation of the Iowa Lottery, in addition to the competitive bidding process for contracts used by the Iowa Lottery. These chapters are intended to protect the fairness and integrity of the Iowa Lottery’s operations.

**Is the benefit being achieved? Please provide evidence.**

Yes, the rules aid further understanding the operations of the Iowa Lottery. The Iowa Lottery uses rule 531-1.28(99G) when promoting its products in cooperation with third parties. The rule facilitates this cooperation while ensuring the integrity of the Iowa Lottery’s operations. The Iowa Lottery’s background investigations of potential vendors also protects the integrity of the Lottery’s operations.

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

Under rule 531-1.28(99G), persons who wish give away lottery tickets for promotional purposes would not incur a cost beyond the cost of the ticket or tickets they purchase for purposes of their promotion if such purchase is made. Under rule 531-2.16(99G), a potential vendor will not incur costs beyond those envisioned by Iowa Code section 99G.22(1).

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

The agency incurs no costs to administer these rule chapters beyond those costs envisioned by chapter 99G of the Iowa Code. Under section 99G.38, the Iowa Lottery is self-funded.

**Do the costs justify the benefits achieved? Please explain.**

Yes. Any costs associated with these rules is justified by the rule’s protection of the fairness and integrity of Lottery 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.**

As mentioned above, rule 531-1.28(99G) describes the promotional use of lottery tickets by persons without a retail license and rule 531-2.16(99G) describes certain requirements with which certain prospective vendors must comply as part of the procurement process. Less restrictive alternatives may threaten the integrity of lottery operations.

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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Yes, some of the rules in these chapters contain outdated, redundant, or unnecessary language.

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

Rules 531-1.1 through 1.27, and 1.29 and rules 531-2.1 through 2.15, and 2.17.

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

1.28 is amended to remove unnecessary language and provide clarity.  
2.16 is amended to remove unnecessary, outdated language, in addition to language duplicative of statute.

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

**METRICS**

<b>Total number of rules repealed:</b>	16 from 531-1; 15 from 531-2.
<b>Proposed word count reduction after repeal and/or re-promulgation</b>	8353 words removed
<b>Proposed number of restrictive terms eliminated after repeal and/or re-promulgation</b>	140 terms removed

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

None noted.