

Red Tape Review Rule Report (Due: September 1, 2024)

Department Name:	Revenue (Iowa Lottery Authority)	Date:	8/23/2024	Total Rule Count:	15
IAC #:	531	Chapter/ SubChapter/ Rule(s):	12	Iowa Code Section Authorizing Rule:	99G.7, 99G.9, 99G.21, 99G.24, 99G.27, 99G.30, 99G.35; 252J.2, 252J.8; 272D.8, 272D.9.
Contact Name:	Madelyn Cutler	Email:	madelyn.cutler@iowa.gov	Phone:	(515) 724-2924

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

Chapter 531-12 is intended to provide generally applicable rules governing the license application process, the conditions for license issuance, and the grounds for license revocation and suspension. The rule is intended to further the Iowa Lottery’s goal of developing and maintaining a network of lottery retailers across the State of Iowa that serves public convenience, promotes the sale of lottery products, and ensures the integrity of the Iowa Lottery’s operations, games, and promotions.

Is the benefit being achieved? Please provide evidence.

Yes. The Iowa Lottery, in 2023, expanded its retailer network across the state to approximately 2,500 retailers. These rules facilitate the license application and review process. They also describe the consequences should a licensed retailer fail to meet their obligations as licensed retailers.

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

Under these rules, persons seeking an Iowa Lottery retail license incur the cost of the application fee (described in subrule 531—12.4(3)) and the cost of the applicable bond (described in subrule 12.16(6)).

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

The agency incurs no costs administering this rule chapter 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. As described above, the Iowa Lottery’s retailer network is integral to the successful operation of the Iowa Lottery. The continued expansion of the retailer network evidences the Lottery’s commitment to a statewide retailer presence in furtherance of its goals of public entertainment and revenue maximization—a partnership that benefits the Lottery, its retailers, and their shared customers. At the same time, these rules also protect the integrity of Lottery operations by ensuring that potential retailers are evaluated prior to licensure, that they provide sufficient bond should a retailer fail to meet their statutory and regulatory obligations, and that license sanctions (up to and including revocation) are available when necessary.

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.

Any less restrictive alternative may threaten the fairness and 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]

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

Yes, some of the rules in this chapter contain outdated, redundant, or unnecessary language.

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

12.5, 12.6, and 12.17

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

12.1 is amended to remove language duplicative of statute, and update outdated language.
12.2 is amended to remove language duplicative of statute, and provide clarity.
12.3 is amended to remove restrictive terms.
12.4 is amended to update outdated language and provide clarity.
12.7 is amended to update outdated language.
12.8 is amended to update outdated language.
12.9 is amended to update outdated language and provide clarity.
12.10 amended to update outdated language.
12.11 is amended to update outdated language.
12.12 is amended update outdated and unnecessary language, in addition to removing language duplicative of statute.
12.13 is amended to remove restrictive terms and language duplicative of statute.
12.14 is amended to provide clarity.
12.15 is amended to update outdated language and remove restrictive terms.
12.16 is amended to remove unnecessary language and remove restrictive terms, and reorganized to provide clarity.

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

METRICS

Total number of rules repealed:	3
Proposed word count reduction after repeal and/or re-promulgation	663 words removed
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	45 terms removed

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

None noted.