CEDAR RAPIDS
City of Five Seasons®

June 2, 2022

The Honorable Kim Reynolds
Governor, State of Iowa
1007 E. Grand Ave.
Des Moines, IA 50319

RE: Request Governor's Veto of HF 2497

Dear Governor Reynolds,

Thank you for the conversation we shared shortly following the passage of House File 2497. As I stated then, and I reiterate now, I am disappointed the Legislature would circumvent the Iowa Racing and Gaming Commission ("IRGC") by implementing a two-year moratorium halting consideration of additional gaming licenses. Accordingly, I respectfully ask you to veto HF 2497.

For almost a decade, the City of Cedar Rapids has been dedicated to bringing a gaming facility to Linn County. Almost 80 local investors spearheaded two referendums in which the voters overwhelmingly passed gaming. Collectively, we developed plans for a state-of-the-art gaming facility and took our case before the Iowa Racing and Gaming Commission. While we disagreed with the outcome, we respected the process.

Iowa's gaming industry has evolved immensely in the past 38 years but has done so under the regulation of the IRGC. The body is given full jurisdiction over race meetings, internet fantasy sports contests, and gambling operations. This requires continual oversight, review, and assessment of gaming trends within our borders as well as trends from neighboring states. The IRGC regularly meets with casino operators, qualified sponsoring organizations, and other stakeholders to ensure the integrity of Iowa's gaming environment.

It was incredibly frustrating to learn of the lack of dialogue or consideration involved in the moratorium amendment. On Senator Jack Whitver's Iowa Press appearance, he stated the Senate Republican caucus discussed this issue for "probably 20 seconds." That means they probably did not consider the fact that the immediate geographic territory has grown by over 40,000 since the last census. They probably didn't have time to discuss the findings of the two recent independent, IRGC-commissioned studies. The Spectrum Gaming Group anticipates the expansion of gaming in Nebraska could cost Council Bluffs and Sioux City casinos 40-45% of their market share. The Innovation Group study found that a Linn County casino would increase net Iowa gaming revenue by over $50 million. Given that the amended bill was filed and passed both chambers in a matter of hours, the City and IRGC were unable to share this critically important information with the legislature.

The best course for Iowa is to keep gaming decisions under the purview of the IRGC. They are best suited to determine the appropriate path forward for our gaming industry. Accordingly, I respectfully ask you again to veto HF 2497.

Thank you for your time and consideration.

Sincerely,

Tiffany O'Donnell
Mayor of Cedar Rapids