



# STATE OF IOWA

KIM REYNOLDS, GOVERNOR  
ADAM GREGG, LT. GOVERNOR

RACING AND GAMING COMMISSION  
BRIAN J. OHORILKO, ADMINISTRATOR

June 30, 2021

Adam Steen, Director  
Iowa Dept. of Administrative Services  
Hoover Building, 3rd Floor  
Des Moines, IA 50319

Dear Director Steen:

The Iowa Racing and Gaming Commission requests a waiver under DAS Administrative Rule 11-118.16 (8A) of the application of DAS Administrative Rule 11-118.11 (3) concerning the duration of services contracts. The latter rule states "A service contract, including all optional renewals, shall not exceed a term of six years. The Iowa Racing and Gaming Commission is requesting a waiver with respect to the following contract:

Racetrack Veterinarians of Iowa, LLC. The initial term of this contract was from 1/1/2016 to 12/31/2016. It is on the fifth one year optional extension, which will expire 12/31/2021. We are requesting this waiver in order to extend the contract an additional year.

Justification: The Federal Horseracing Integrity and Safety Act of 2020 ("HISA") is scheduled to go into effect July 1, 2022. This newly signed federal legislation will supersede Iowa racing law on drug testing and in other areas. It will undoubtedly impact the way Iowa contracts for vet services. The problem is, at this point and time, we don't know what the specific impact will be because those details are still being worked out at the federal level. It appears likely that the total impact of HISA will not be known until after the time a new RFP would need to be posted. Therefore, we will be unable to accurately post for bidders. Worst case scenario, we receive no bids. Last time the contract was bid we only had one proposal. Historically, there have been 1-2 proposals submitted in response to the RFP. Veterinarians for large animals will be aware of the HISA and will likely not bid without specific information or a guarantee of at least one racing year. It should also be noted that we have not had any other person or business reach out to our office in the past five years requesting to conduct this service. Delaying the RFP by one year would provide the Commission with the best opportunity to accurately post what is needed under the RFP, allow for some competition in the bidding process and ensure the Commission has veterinary services for the start of the 2022 racing season.

Individual State Racing Commissions may be required to purchase veterinary services through the Horseracing Safety and Integrity Authority. If that occurs, Iowa will be required to provide veterinary services through June 30, 2022 and purchase services starting July 1, 2022, right in the middle of the horse racing season. The type and terms of testing required under HISA have not yet been determined. Currently Iowa conducts limited out of competition blood testing, limited hair testing and post-race blood and urine testing. Other types of testing could require more or less staff, more or less time to collect, which would impact the cost of veterinary services if those are still provided by an Iowa contractor.

Thank you in advance for your attention and consideration of this request.

Sincerely,

Brian Ohorilko  
Administrator

Waiver is approved based on the justification provided.

Adam Steen, Director, Department of Administrative Services