

REFERENCE TITLE: event wagering; application information; nonconfidential

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

SB 1614

Introduced by
Senator Gonzales

AN ACT

AMENDING SECTION 5-1305, ARIZONA REVISED STATUTES; RELATING TO EVENT
WAGERING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 5-1305, Arizona Revised Statutes, is amended to
3 read:

4 5-1305. License review; approval; fees; material change;
5 exemption; display; transferability

6 A. On receipt of a completed application and the required fee, the
7 department shall conduct the necessary background investigation to ensure
8 the applicant is qualified for licensure. On completion of the necessary
9 background investigation, the department shall either issue a license or
10 deny the application. If the application is denied, the department shall
11 forward a statement setting forth the grounds for denial to the applicant
12 together with all other documents on which the department relied, to the
13 extent allowed by law.

14 B. The department may conduct additional background investigations
15 of any person required to be licensed at any time while the license
16 remains valid. The issuance of a license does not create or imply a right
17 of employment or continued employment. The event wagering operator or
18 limited event wagering operator may not employ and, if already employed,
19 shall terminate an event wagering employee if it is determined that the
20 person meets any of the following criteria:

21 1. Has been convicted of any gaming offense.

22 2. Has been convicted of a felony in the seven years before
23 submitting an application unless that felony has been set aside.

24 3. Has ever been convicted of a felony related to extortion,
25 burglary, larceny, bribery, embezzlement, robbery, racketeering, money
26 laundering, forgery, fraud, murder, voluntary manslaughter, a sexual
27 offense that requires the individual to register pursuant to section
28 13-3821 or kidnapping.

29 4. Knowingly and wilfully provides materially important false
30 statements or information or omits materially important information on the
31 person's employment application or background questionnaire.

32 5. Is a person whose prior activities, criminal record, if any, or
33 reputation, habits and associations pose a threat to the public interest
34 or to the effective regulation and control of gaming or create or enhance
35 the dangers of unsuitable, unfair or illegal practices, methods and
36 activities in the conduct of gaming or the carrying on of the business and
37 financial arrangements incidental thereto.

38 C. Not later than sixty days after the department receives a
39 complete application, the department shall issue a license to the
40 applicant unless the background investigation the department conducts
41 discloses that the applicant has a criminal history or unless other
42 grounds sufficient to disqualify the applicant are apparent on the face of
43 the application. If more than ten applications are received for a
44 particular license type, the department shall adopt a process for ensuring
45 an equal opportunity for all qualified applicants to obtain a license.

1 The department shall review and approve or deny an application for a
2 license as provided in title 41, chapter 6, article 10.

3 D. For each application for licensure or renewal of a license that
4 is approved under this section, the amount of the application fee must be
5 credited toward the licensee's license fee and the licensee shall remit
6 the balance of the initial license fee to the department on approval of a
7 license. The fees collected from licensees under this section shall be
8 deposited in the event wagering fund established by section 5-1318 and
9 used by the department to pay the actual operating and administrative
10 expenses incurred for event wagering.

11 E. Each person licensed under this chapter shall give the
12 department written notice within thirty days after a material change is
13 made to information provided in the licensee's application for a license
14 or renewal.

15 F. Indian tribes within this state THAT ARE operating event
16 wagering exclusively on Indian lands are exempt from the licensure
17 requirements of this section. Event wagering on Indian lands is governed
18 by the tribal-state gaming compact, its appendices, any amendments and the
19 Indian gaming regulatory act (P.L. 100-497; 102 stat. 2467).

20 G. Each licensee shall display its license conspicuously in the
21 licensee's place of business or have the license available for inspection
22 by an agent of the department or a law enforcement agency. Each licensee
23 that operates an event wagering platform shall conspicuously display a
24 notice of the license on its platform's landing page.

25 H. The department shall keep all information, records, interviews,
26 reports, statements, memoranda or other data supplied to or used by the
27 department in the course of its review or investigation of an application
28 for an event wagering operator license or renewal of a license
29 confidential. THE DEPARTMENT SHALL IMMEDIATELY RELEASE ANY MATERIALS
30 DESCRIBED IN THIS SUBSECTION TO ANY MEMBER OF THE LEGISLATURE ON WRITTEN
31 REQUEST. The materials described in this subsection are NOT exempt from
32 disclosure IN COMPLIANCE WITH A COURT ORDER, SUBPOENA, STATUTORY AUDIT OR
33 pursuant to title 39, chapter 1, article 2.

34 I. A license issued under this chapter may not be transferred to
35 another person or entity without prior approval of the department. The
36 department shall work with applicants and licensees to ensure there is no
37 gap in the validity of the license.