

Senate Engrossed

~~affordable housing tax credits; extension~~
(now: gaming; boxing; mixed martial arts)

State of Arizona
Senate
Fifty-sixth Legislature
Second Regular Session
2024

SENATE BILL 1689

AN ACT

AMENDING SECTIONS 5-221, 5-222, 5-225, 5-228, 5-230, 5-233, 5-234,
5-235.01, 5-236, 5-237, 5-238 AND 5-1301, ARIZONA REVISED STATUTES;
RELATING TO AMUSEMENTS AND SPORTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Heading change

3 A. The chapter heading of title 5, chapter 2, Arizona Revised
4 Statutes, is changed from "BOXING AND SPARRING" to "BOXING AND MIXED
5 MARTIAL ARTS".

6 B. The article heading of title 5, chapter 2, article 2, Arizona
7 Revised Statutes, is changed from "ARIZONA STATE BOXING COMMISSION" to
8 "ARIZONA STATE BOXING AND MIXED MARTIAL ARTS COMMISSION".

9 Sec. 2. Section 5-221, Arizona Revised Statutes, is amended to
10 read:

11 5-221. Definitions

12 In this article, unless the context otherwise requires:

13 1. "Boxing":

14 (a) Means the act of attack and defense with the fists, using
15 padded gloves, that is practiced as a sport. ~~Where applicable, boxing~~

16 (b) Includes kickboxing, ~~WHERE APPLICABLE~~.

17 2. "COMBATANT" MEANS ANY PERSON WHO PRACTICES THE SPORT OF UNARMED
18 COMBAT.

19 ~~3.~~ 3. "Commission" means the Arizona state boxing and mixed
20 martial arts commission.

21 ~~4.~~ 4. "Contest" means any boxing or mixed martial arts bout,
22 event, contest, match or exhibition between two ~~persons~~ COMBATANTS.

23 ~~5.~~ 5. "Department" means the department of gaming.

24 ~~6.~~ 6. "Director" means the director of the department ~~of gaming~~.

25 ~~7.~~ 7. "Executive director" means the executive director of the
26 commission.

27 ~~8.~~ 8. "Kickboxing" means a form of boxing, including muay thai
28 pursuant to rules and regulations of the United States muay thai
29 association or another muay thai sanctioning body that is approved by the
30 commission, in which blows are delivered with any part of the arm below
31 the shoulder, including the hand, and any part of the leg below the hip,
32 including the foot.

33 ~~9.~~ 9. "Mixed martial arts" means any form of competition or
34 contest, other than boxing or kickboxing, in which blows are delivered and
35 in which the ~~competitors~~ COMBATANTS use any combination of tactics,
36 including boxing, wrestling, striking, kicking, martial arts and
37 submission techniques.

38 ~~10.~~ 10. "Professional" means any person who competes for any money
39 prize or a prize that exceeds the value of ~~thirty-five dollars~~ \$35 or
40 teaches, ~~or~~ pursues or assists in the practice of boxing or mixed martial
41 arts as a means of obtaining a livelihood or pecuniary gain.

42 ~~11.~~ 11. "Tough man contest":

43 (a) Means any boxing match ~~consisting~~ THAT CONSISTS of one minute
44 rounds, between two or more persons who use their hands, wearing padded

1 gloves that weigh at least twelve ounces, or their feet, or both, in any
2 manner. ~~Tough man contest~~

3 (b) Does not include kickboxing or any recognized martial arts
4 competition.

5 Sec. 3. Section 5-222, Arizona Revised Statutes, is amended to
6 read:

7 5-222. Application of this chapter

8 A. This chapter does not apply to any amateur boxing or mixed
9 martial arts contest conducted by the following:

10 1. Any school, community college, college or university or an
11 association or organization composed exclusively of schools, community
12 colleges, colleges or universities ~~when~~ IF each ~~contestant~~ COMBATANT is a
13 student enrolled in a school, community college, college or university.
14 ~~As used in this section~~ FOR THE PURPOSES OF THIS PARAGRAPH, "school,
15 community college, college or university" means every school, community
16 college, college or university and every other school, community college,
17 college or university determined by the state board of education,
18 community college districts as defined in section 15-1401 or the Arizona
19 board of regents to be maintained primarily for the giving of general
20 academic education.

21 2. A government unit or agency of the United States, this state or
22 a POLITICAL subdivision of this state or a unit of the United States armed
23 forces or the national guard if all ~~contestants~~ COMBATANTS are members of
24 that unit of the armed forces or the national guard.

25 3. An amateur athletic program that is authorized by and sanctioned
26 under the rules, regulations and policies of a national governing body
27 that is recognized by the United States olympic committee in which all
28 ~~contestants~~ COMBATANTS are amateur ~~contestants~~ COMBATANTS.

29 4. Kickboxing events that are sanctioned by and conducted under the
30 direct supervision of the United States muay thai association or another
31 muay thai sanctioning body that is approved by the commission if all
32 ~~contestants~~ COMBATANTS are amateur ~~contestants~~ COMBATANTS.

33 5. Any bona fide private school whose primary purpose is
34 instruction and training in the martial arts, if:

35 (a) The contests held in conjunction with the instruction and
36 training are amateur.

37 (b) The contests are of a sparring nature with no official
38 decisions awarded.

39 (c) At least one ~~contestant~~ COMBATANT in each contest has been a
40 member in good standing of the sponsoring private school for at least
41 sixty continuous days before the contest.

42 (d) An admission fee or a mandatory donation or other form of
43 payment is not charged for attendance.

1 6. Any bona fide private school whose primary purpose is
2 instruction in karate, if the contests held in conjunction with the
3 instruction are amateur.

4 B. An amateur mixed martial arts ~~competitor~~ COMBATANT shall not be
5 licensed as a professional mixed martial arts ~~competitor~~ COMBATANT until
6 the person has completed five or more verified amateur contests that are
7 regulated by the commission or by a sanctioning body that is approved by
8 the commission. The five-contest requirement prescribed by this
9 subsection may be waived by the commission or by the executive director.

10 Sec. 4. Section 5-225, Arizona Revised Statutes, is amended to
11 read:

12 5-225. Regulation of boxing contests, tough man contests and
13 mixed martial arts; fees

14 A. All boxing contests are subject to ~~the provisions of~~ this
15 chapter and to rules adopted pursuant to this chapter. The commission,
16 ~~shall~~ for every contest that is subject to regulation by the commission,
17 SHALL:

18 1. Direct a person authorized by the commission or by the executive
19 director to be present.

20 2. Direct the person authorized to report results, including
21 suspensions, to a national registry.

22 B. All tough man contests, including amateur tough man contests,
23 are subject to ~~the provisions of~~ this chapter. Every ~~contestant~~ COMBATANT
24 in a tough man contest shall wear headgear approved by the commission.

25 C. Mixed martial arts, including amateur mixed martial arts, are
26 subject to ~~the provisions of~~ this chapter and to rules adopted pursuant to
27 this chapter, including rules adopted for boxing that are not inconsistent
28 with specific mixed martial arts contest provisions and rules.
29 ~~Contestants~~ COMBATANTS in mixed martial arts shall not strike other
30 ~~contestants~~ COMBATANTS in the spinal column or in the back of the head.
31 The commission ~~shall~~ MAY use rules for mixed martial arts that are
32 consistent with the mixed martial arts unified rules adopted by ~~the New~~
33 ~~Jersey state athletic control board under New Jersey administrative code~~
34 ~~title 13, chapter 46, subchapter 24A, except that a cage may have one~~
35 ~~entry door and have a vinyl or rubberized floor covering if approved by a~~
36 ~~representative of the commission~~ A BOXING COMMISSION OR ANY ALTERNATIVE
37 RULES OF MIXED MARTIAL ARTS APPROVED BY ANOTHER JURISDICTION WITHIN THE
38 UNITED STATES. ~~Nothing in~~ This subsection ~~prevents~~ DOES NOT PREVENT a
39 promoter of a mixed martial arts event in this state from adopting more
40 restrictive rules for that particular event than would otherwise be
41 allowed. In addition to ~~the~~ ANY applicable provisions of the mixed martial
42 arts ~~unified~~ rules adopted by the COMMISSION ~~New Jersey state athletic~~
43 ~~control board under New Jersey administrative code title 13, chapter 46,~~
44 ~~subchapter 24A~~, amateur mixed martial arts bouts shall consist of three
45 rounds of three minutes per round and the amateur ~~contestants~~ COMBATANTS

1 shall not strike with elbows to the head of a grounded opponent, use
2 twisting leg submissions, use linear kicks to the knee joint or use foot
3 stomps. Amateur mixed martial arts bouts shall be clearly designated as
4 such in all promotional materials and at the event.

5 D. The commission may establish a uniform nonrefundable fee for
6 mixed martial arts and boxing events in an amount determined by the
7 commission that shall be paid to the commission by a promoter when
8 submitting an event application. In determining the amount of the fee,
9 the executive director may consider factors, including whether the event
10 is televised, whether the event will be transmitted on pay-per-view, the
11 amount of time likely to be expended in processing the event application
12 and the complexity of the application. The commission may establish a
13 nonrefundable fee that shall be paid to the commission by a promoter if
14 the promoter submits a request to change a previously approved event date.
15 Monies that are derived from the fees charged pursuant to this subsection
16 and monies derived from intergovernmental tribal agreements shall be
17 available to the commission for the administration and regulation of mixed
18 martial arts and boxing, and those monies are exempt from the provisions
19 of section 35-190 relating to lapsing of appropriations.

20 E. Weigh-ins for all contests shall not be more than ~~twenty-four~~
21 ~~hours~~ ONE CALENDAR DAY before the scheduled time of the event or less than
22 three hours before the scheduled time of the event. A representative of
23 the commission shall attend and supervise all weigh-ins. ~~The weigh-in~~
24 ~~period shall be one hour.~~

25 Sec. 5. Section 5-228, Arizona Revised Statutes, is amended to
26 read:

27 5-228. Persons required to procure licenses; requirements;
28 background information; fee; bond; examination
29 results

30 A. All referees, judges, matchmakers, promoters, trainers, ring
31 announcers, timekeepers, ringside physicians, inspectors, mixed martial
32 arts ~~contestants~~ COMBATANTS, boxers, managers and seconds are required to
33 be licensed by the commission. The commission shall not ~~permit~~ ALLOW any
34 of these persons to participate in ~~the~~ holding ~~of~~ any contest unless the
35 person has first procured a license.

36 B. Before participating in ~~the~~ holding ~~of~~ any boxing or mixed
37 martial arts contest, a corporation, its officers and directors and any
38 person ~~holding~~ THAT HOLDS twenty-five ~~per-cent~~ PERCENT or more of the
39 ownership of the corporation shall obtain a license from the
40 commission. Such a corporation must be authorized to do business under
41 the laws of this state.

42 C. The commission shall require referees, judges, matchmakers,
43 promoters and managers to furnish fingerprints and background information
44 pursuant to section 41-1750, subsection G before licensure. The
45 commission shall charge a fee for fingerprints and background information

1 in an amount determined by the commission. The commission may require
2 referees, judges, matchmakers, promoters and managers to furnish
3 fingerprints and background information pursuant to section 41-1750,
4 subsection G before license renewal if the commission determines the
5 fingerprints and background information are necessary. The fee may
6 include a reasonable charge for expenses incurred by the commission or the
7 department of public safety. For such purpose, the commission and the
8 department of public safety may enter into an intergovernmental agreement
9 pursuant to title 11, chapter 7, article 3. The fee shall be credited
10 pursuant to sections 35-148 and 41-1750.

11 D. Before the commission issues a license to a promoter, matchmaker
12 or corporation, the applicant shall:

13 1. Provide the commission with a copy of any agreement between any
14 ~~contestant~~ COMBATANT and the applicant that binds the applicant to pay the
15 ~~contestant~~ COMBATANT a certain fixed fee or percentage of the gate
16 receipts.

17 2. Show on the application the owner or owners of the applicant
18 entity and the ~~per cent~~ PERCENT interest if they hold twenty-five ~~per cent~~
19 PERCENT or more interest in the applicant.

20 3. Provide the commission with a copy of the latest financial
21 statement of the entity.

22 4. Provide the commission with a copy of the insurance contract
23 required by this chapter.

24 E. Before the commission issues a license to a promoter, the
25 applicant shall deposit with the department a cash bond or surety bond in
26 an amount set by the commission. The bond shall be executed in favor of
27 this state and shall be conditioned on the faithful performance by the
28 promoter of the promoter's obligations pursuant to this chapter and the
29 rules adopted pursuant to this chapter.

30 F. Before the commission issues a license to a ~~boxer or a mixed~~
31 ~~martial arts contestant~~ REFEREE OR COMBATANT, the applicant shall submit
32 to the commission the results of a current medical examination performed
33 by a physician licensed ~~pursuant to title 32, chapter 13 or 17~~ IN THE
34 UNITED STATES on forms furnished or approved by the commission. In
35 addition to the medical examination, the following information must be
36 submitted:

37 1. The results of an ophthalmological examination that is recorded
38 on forms furnished or approved by the commission.

39 2. FOR COMBATANTS, negative test results for the human
40 immunodeficiency virus, the hepatitis B surface antigen and the hepatitis
41 C antibody.

42 3. For ~~persons over the age of thirty-six~~ COMBATANTS WHO ARE AT
43 LEAST THIRTY-EIGHT years OF AGE, the results of a stress test that is
44 administered by a physician licensed ~~pursuant to title 32, chapter 13~~
45 ~~or 17~~ IN THE UNITED STATES AND THAT IS accompanied by a clearance letter

1 and the results of an electrocardiogram that demonstrates normal
2 cardiovascular function. These results shall be completed within
3 twenty-four months before the person submits the license application.

4 4. For ~~persons over~~ COMBATANTS WHO ARE AT LEAST forty years of age,
5 if recommended by an examining physician, the results of a brain magnetic
6 resonance imaging scan.

7 5. For female ~~contestants~~ COMBATANTS, a pregnancy test that
8 demonstrates a negative result. A pregnancy test that demonstrates a
9 negative result shall also be submitted to the commission by a female
10 ~~contestant~~ COMBATANT before each weigh-in.

11 6. Any other examination or testing ordered by the commission.

12 G. ~~Unless otherwise prescribed in subsection F of this section, the~~
13 ~~medical examinations and tests prescribed in subsection F of this section~~
14 ~~must be completed after December 15 of the year before the year that the~~
15 ~~license is issued or before December 15 of the same year that the license~~
16 ~~is issued.~~ All medical examinations and tests, license applications,
17 national identification card applications, photographs and any other
18 required documents must be completed and received by the commission staff
19 ~~no~~ NOT later than 4:30 p.m. on the day that begins forty-eight hours
20 before the scheduled event. An exception to the ~~forty-eight hour~~
21 FORTY-EIGHT-HOUR requirement prescribed in this subsection may be granted
22 by the executive director if a person is a late substitute or is traveling
23 from outside this state and demonstrates good cause for not meeting the
24 ~~forty-eight hour~~ FORTY-EIGHT-HOUR requirement.

25 Sec. 6. Section 5-230, Arizona Revised Statutes, is amended to
26 read:

27 5-230. License fees; expiration; renewal; medical
28 examinations

29 A. The commission may establish and issue annual licenses and may
30 establish and collect fees for those licenses.

31 B. A license expires ~~December 31 at midnight in the year of its~~
32 ~~issuance~~ AT MIDNIGHT THREE HUNDRED SIXTY-FIVE DAYS AFTER THE DATE OF
33 ISSUANCE and may be renewed on filing an application for renewal of a
34 license with the commission and payment of the license fee prescribed in
35 subsection A OF THIS SECTION. The application for renewal of a license
36 shall be on a form provided by the commission. There is a ~~thirty day~~
37 THIRTY-DAY grace period during which a license may be renewed if a late
38 filing penalty fee equal to the license fee is submitted with the regular
39 license fee. A licensee that files late shall not conduct any activity
40 regulated by this chapter until the commission has renewed the
41 license. If the licensee fails to apply to the commission within the
42 ~~thirty day~~ THIRTY-DAY grace period, the licensee must apply for a new
43 license pursuant to subsection A OF THIS SECTION.

1 C. THE RESULTS OF ALL COMBATANT MEDICAL EXAMINATIONS EXPIRE THREE
2 HUNDRED SIXTY-FIVE DAYS AFTER THE DATE THE MEDICAL EXAMINATION IS
3 PERFORMED. THE COMMISSION MAY GRANT A GRACE PERIOD OF UP TO FIFTEEN DAYS
4 TO ALIGN WITH THE LICENSING PERIOD.

5 Sec. 7. Section 5-233, Arizona Revised Statutes, is amended to
6 read:

7 5-233. Combatants and referees; physical examination;
8 attendance of physician; payment of fees; insurance

9 A. All boxers, mixed martial arts ~~contestants~~ COMBATANTS and
10 referees shall be examined by a physician licensed pursuant to title 32,
11 chapter 13 or 17 before entering the ring, and the examining physician
12 shall immediately file with the commission a written report of the
13 examination. The physician's report of the examination shall include
14 specific mention as to the condition of the boxer's or mixed martial arts
15 ~~contestant's~~ COMBATANT'S heart and general physical condition. The
16 physician's report may include specific mention as to the condition of the
17 boxer's or mixed martial arts ~~contestant's~~ COMBATANT'S nerves and brain as
18 required by the commission. The cost of the examination is payable by the
19 person conducting the contest or exhibition. All boxers and mixed martial
20 arts ~~contestants~~ COMBATANTS shall receive a post-bout physical examination
21 from a physician licensed pursuant to title 32, chapter 13 or 17 and may
22 be suspended from participation in additional contests for a period of
23 time based on the evaluation by the examining physician.

24 B. Every person holding or sponsoring any contest shall have in
25 attendance at every contest regulated by the commission at least one
26 physician who is licensed pursuant to title 32, chapter 13 or 17 and who
27 is assigned by the commission or the executive director. The commission
28 may establish a schedule of fees to be paid to each physician by the
29 person or by the promoter.

30 C. The commission shall:

31 1. Require insurance coverage for a ~~boxer~~ COMBATANT to provide for
32 medical, surgical and hospital care for injuries sustained in the ring in
33 an amount of ~~twenty thousand dollars~~ \$20,000 with ~~twenty-five dollars~~ \$25
34 deductible and payable to the ~~boxer~~ COMBATANT as beneficiary. INSURANCE
35 COVERAGE REQUIRED PURSUANT TO THIS PARAGRAPH IS THE PRIMARY INSURANCE AND
36 SHALL BE EXHAUSTED BEFORE A COMBATANT USES ANY OTHER FORM OF INSURANCE.

37 2. Require life insurance for a ~~boxer~~ COMBATANT in the amount of
38 ~~fifty thousand dollars~~ \$50,000 payable in case of accidental death
39 resulting from injuries sustained in the ring.

40 D. The cost of the insurance required by this section and any
41 deductible amount ~~that exceeds twenty-five dollars~~ OF MORE THAN \$25 is
42 payable by the promoter.

1 Sec. 8. Section 5-234, Arizona Revised Statutes, is amended to
2 read:

3 5-234. Attendance by peace officers; duty of chief of police
4 or sheriff; private security

5 If a ~~boxing~~ contest is held within the corporate limits of a city or
6 town, the PROMOTER SHALL REQUEST THAT THE chief of police ~~shall~~ assign not
7 less than one officer to attend the contest, and if a ~~boxing~~ contest is
8 held outside the corporate limits of a city or town, THE PROMOTER SHALL
9 REQUEST THAT the county sheriff ~~shall~~ assign not less than one of ~~his~~ THE
10 SHERIFF'S deputies to attend. The officer or deputy shall be charged with
11 the duty of preventing disturbances amounting to breach of the peace by
12 spectators. The cost of providing such officer or deputy shall be paid by
13 the promoter. IF LAW ENFORCEMENT OFFICERS OR SHERIFF'S DEPUTIES ARE NOT
14 AVAILABLE TO ATTEND THE CONTEST, THE COMMISSION MAY GRANT THE PROMOTER
15 PERMISSION TO USE PRIVATE SECURITY SERVICES TO ATTEND THE CONTEST.

16 Sec. 9. Section 5-235.01, Arizona Revised Statutes, is amended to
17 read:

18 5-235.01. Disciplinary action; grounds; civil penalty;
19 emergency suspension; injunction

20 A. The commission may take any one or a combination of the
21 following disciplinary actions:

- 22 1. Revoke a license.
- 23 2. Suspend a license.
- 24 3. Impose a civil penalty in an amount of not ~~to exceed one~~
25 ~~thousand dollars~~ MORE THAN \$1,000 per violation of this chapter.

26 B. The commission may take disciplinary action or refuse to issue
27 or renew a license for any of the following causes:

- 28 1. Committing an act involving dishonesty, fraud or deceit with the
29 intent to substantially benefit oneself or another or substantially injure
30 another.
- 31 2. Advertising by means of known false, misleading, deceptive or
32 fraudulent statements through any communication medium.
- 33 3. Violating this chapter or any rule adopted pursuant to this
34 chapter.
- 35 4. Making oral or written false statements to the commission.
- 36 5. Failing to complete the license application as prescribed by the
37 commission.

38 C. The commission may conduct tests for the use of alcohol and
39 drugs determined by the commission to impair ~~contestants~~ COMBATANTS.
40 Notwithstanding any other provision of this article, the commission may
41 immediately suspend the license OF, immediately revoke the license OF or
42 immediately impose a civil penalty OF not ~~to exceed five hundred dollars,~~
43 ~~or any combination of these actions,~~ MORE THAN \$500 against, OR ANY
44 COMBINATION OF THESE ACTIONS, a ~~contestant~~ COMBATANT who tests positive
45 for alcohol and drugs, who refuses or fails to take a test for alcohol and

1 drugs under rules adopted by the commission or who refuses or fails to
2 take a test for alcohol and drugs after a test is requested by the
3 commission or the executive director. All civil penalties assessed
4 pursuant to this subsection shall be deposited, pursuant to sections
5 35-146 and 35-147, in the state general fund. The rules adopted pursuant
6 to this subsection may include appropriate definitions for drugs
7 determined by the commission to impair ~~contestants~~ COMBATANTS.

8 D. In case of emergency, a member of the commission, on ~~his~~ THE
9 MEMBER'S own motion or on the verified complaint of any person charging a
10 violation of this chapter or of the rules ~~promulgated~~ ADOPTED by the
11 commission, may suspend for a period of not to exceed ten days any license
12 until final determination by the commission, if in ~~his~~ THE MEMBER'S
13 opinion the action is necessary to protect the public welfare and the best
14 interests of boxing.

15 E. The commission, the attorney general or a county attorney may
16 apply to the superior court in the county in which acts or practices of
17 any person that constitute a violation of this chapter or the rules
18 adopted pursuant to this chapter are alleged to have occurred for an order
19 enjoining those acts or practices.

20 Sec. 10. Section 5-236, Arizona Revised Statutes, is amended to
21 read:

22 5-236. Violation; classification

23 A. A person is guilty of a class ~~2~~ 1 misdemeanor and may be
24 subject to license revocation, denial or suspension if the person:

25 ~~1. Conducts, holds, sponsors, sanctions or gives boxing or other~~
26 ~~contests that are subject to regulation by the commission or participates~~
27 ~~in any contest that is subject to regulation by the commission without~~
28 ~~first having procured an appropriate license or approval as prescribed in~~
29 ~~this article.~~

30 ~~2. Violates any provision of this chapter or any rule or regulation~~
31 ~~adopted pursuant to this chapter.~~

32 CONDUCTS, HOLDS, SPONSORS, SANCTIONS OR GIVES BOXING OR OTHER CONTESTS
33 THAT ARE SUBJECT TO REGULATION BY THE COMMISSION WITHOUT FIRST PROCURING
34 AN APPROPRIATE LICENSE OR APPROVAL AS PRESCRIBED IN THIS ARTICLE.

35 B. A PERSON IS GUILTY OF A CLASS 2 MISDEMEANOR AND MAY BE SUBJECT
36 TO LICENSE REVOCATION, DENIAL OR SUSPENSION IF THE PERSON DOES EITHER OF
37 THE FOLLOWING:

38 1. PARTICIPATES IN ANY CONTEST THAT IS SUBJECT TO REGULATION BY THE
39 COMMISSION WITHOUT FIRST PROCURING AN APPROPRIATE LICENSE OR APPROVAL AS
40 PRESCRIBED IN THIS ARTICLE.

41 2. VIOLATES THIS CHAPTER OR ANY RULE OR REGULATION ADOPTED PURSUANT
42 TO THIS CHAPTER.

1 Sec. 11. Section 5-237, Arizona Revised Statutes, is amended to
2 read:

3 5-237. Selection of referees

4 The commission shall select and assign referees. The matchmaker may
5 protest the assignment of a referee and **REQUEST A REFEREE**
6 **REASSIGNMENT**. In such **AN** event the commission shall ~~furnish a list of all~~
7 ~~licensed referees within the state to the protesting matchmaker. The~~
8 ~~protesting matchmaker shall have the right to select another referee from~~
9 ~~such list~~ **MAKE A REASONABLE EFFORT TO GRANT THE REQUEST FOR REFEREE**
10 **REASSIGNMENT**.

11 Sec. 12. Section 5-238, Arizona Revised Statutes, is amended to
12 read:

13 5-238. Sham contest; withholding a purse

14 A. The commission may withhold all or part of a purse or other
15 monies payable to any ~~contestant~~ **COMBATANT**, manager or second if in the
16 judgment of the commission a ~~boxing contestant~~ **COMBATANT** is participating
17 in a sham or fake ~~boxing~~ contest or is otherwise not competing honestly or
18 to the best of the ~~contestant's~~ **COMBATANT'S** ability.

19 B. If the commission withholds a purse or part of a purse or other
20 monies, the commission shall give notice to all interested parties and
21 hold a hearing ~~upon~~ **ON** the matter within ten days.

22 C. If the commission determines that a ~~contestant~~ **COMBATANT**,
23 manager or second is not entitled to a purse, part of a purse or other
24 monies, the promoter shall turn such monies over to the director to be
25 applied pursuant to section 5-226, subsection C.

26 Section 13. Section 5-1301, Arizona Revised Statutes, is amended to
27 read:

28 5-1301. Definitions

29 In this chapter, unless the context otherwise requires:

30 1. "Adjusted gross event wagering receipts" means an event wagering
31 operator's gross wagering receipts, excluding voided bets, minus winnings
32 paid to authorized participants and any federal excise tax. A deduction
33 from adjusted gross event wagering receipts equal to the value of free
34 bets or promotional credits redeemed by authorized participants may be
35 taken as provided in this paragraph. The deduction under this paragraph
36 for free bets or promotional credits is limited to the first five years
37 following ~~the effective date of this section~~ **APRIL 15, 2021** as follows:

38 (a) For years one and two, a deduction not to exceed twenty percent
39 of an event wagering operator's gross wagering receipts.

40 (b) For year three, a deduction not to exceed fifteen percent of an
41 event wagering operator's gross wagering receipts.

42 (c) For years four and five, a deduction not to exceed ten percent
43 of an event wagering operator's gross wagering receipts.

44 (d) For year six and each year thereafter, a deduction of free bets
45 is not allowed. January 1 following the year in which the event wagering

1 operator begins event wagering operations is considered the first year of
2 event wagering for the purposes of this paragraph. An event wagering
3 operator may deduct up to twenty percent of an event wagering operator's
4 gross wagering receipts during any period that the operator conducts event
5 wagering before January 1 of the first year of event wagering operations.

6 2. "Department" means the department of gaming.

7 3. "E-sport **EVENT**" means an organized, multiplayer video game
8 competition, particularly between professional players, individually or as
9 teams.

10 4. "Event wagering":

11 (a) Means accepting wagers on sports events or other events,
12 portions of sports events or other events, the individual performance
13 statistics of athletes in a sports event or combination of sports events
14 or the individual performance of individuals in other events or a
15 combination of other events by any system or method of wagering, including
16 in person or over the Internet through websites and on mobile devices.

17 (b) Does not include a fantasy sports contest as defined in section
18 5-1201.

19 5. "Event wagering employee" means an employee of an event wagering
20 operator, sports facility, management services provider or limited event
21 wagering operator who is directly involved in the management or control of
22 the conduct of event wagering under this chapter in this state.

23 6. "Event wagering facility" means a facility at which event
24 wagering is conducted under this chapter.

25 7. "Event wagering operator" means either:

26 (a) An owner or operator of an Arizona professional sports team or
27 franchise, an operator of a sports facility in this state that hosts an
28 annual tournament on the PGA tour or a promoter of a national association
29 for stock car auto racing national touring race in this state, or the
30 designee of such an owner, operator or promoter, who is licensed to offer
31 event wagering under this chapter. If an owner, operator or promoter that
32 qualified for an event wagering operator license appoints a designee, the
33 designee will be considered the event wagering operator and the licensee
34 with respect to the applicable license for the purposes of this chapter.

35 (b) An Arizona Indian tribe or an entity fully owned by an Arizona
36 Indian tribe, or its designee, licensed to operate only mobile event
37 wagering outside the boundaries of its Indian lands and throughout this
38 state if it has signed the most recent tribal-state gaming compact and any
39 applicable appendices or amendments. If an Indian tribe that qualified
40 for an event wagering operator license appoints a designee, the designee
41 will be considered the event wagering operator and the licensee with
42 respect to the applicable license for the purposes of this chapter.

43 ~~10.~~ 8. "Licensee" means a person that holds an event wagering
44 operator license, limited event wagering license, supplier license or
45 management services provider license.

1 ~~8.~~ 9. "Limited event wagering operator" means a racetrack
2 enclosure or additional wagering facility that holds a permit issued by
3 the division of racing to offer wagers on horseracing and that is licensed
4 under this chapter.

5 ~~11.~~ 10. "Management services provider" means a person that
6 operates, manages or controls event wagering authorized by this chapter on
7 behalf of an event wagering operator or limited event wagering operator,
8 including developing or operating event wagering platforms and providing
9 odds, lines and global risk management, and may provide services to more
10 than one licensed event wagering operator or licensed limited event
11 wagering operator.

12 ~~9.~~ 11. "Official league data" means statistics, results, outcomes
13 and other data related to a sports event or other event obtained pursuant
14 to an agreement with the relevant sports governing body or an entity
15 expressly authorized by the sports governing body to provide such
16 information to licensees that authorizes the use of such data for
17 determining the outcome of sports wagers on sports events or other events.

18 12. "Other event" means a competition of relative skill or an event
19 authorized by the department under this chapter.

20 13. "Person" means an individual, partnership, committee,
21 association, corporation, ~~OR~~ Indian tribe or an entity fully owned by an
22 Indian tribe, or any other organization or group of persons.

23 14. "Professional sport" means a sport conducted at the highest
24 level league or organizational play for its respective sport and includes
25 baseball, basketball, football, golf, hockey, soccer and motorsports.

26 15. "Prohibited conduct" includes any statement, action or other
27 communication intended to unlawfully influence, manipulate or control a
28 betting outcome of a sports event or other event ~~OR~~ of any individual
29 occurrence or performance in a sports event or other event in exchange for
30 financial gain or to avoid financial or physical harm.

31 16. "Prohibited participant" means:

32 (a) Any individual whose participation may undermine the integrity
33 of the wagering, the sports event or the other event.

34 (b) Any individual who is prohibited from placing a wager as an
35 agent, proxy or because of self-exclusion.

36 (c) Any individual who is an athlete, coach, referee, player,
37 trainer or personnel of a sports organization in any sports event or other
38 event overseen by that individual's sports organization who, based on
39 information that is not publicly available, has the ability to determine
40 or to unlawfully influence the outcome of a wager.

41 (d) An individual who holds a position of authority or influence
42 sufficient to exert influence over the participants in a sporting contest,
43 including coaches, managers, handlers and athletic trainers, such that
44 their actions can affect the outcome of a wager.

1 (e) An individual with access to exclusive information on any
2 sports event or other event overseen by that individual's sports governing
3 body that is not publicly available information or any individual
4 identified by any lists provided by the sports governing body to the
5 department.

6 17. "Sports event" means a professional sport or athletic event, a
7 collegiate sport or athletic event, a motor race event, an e-sport event
8 or an olympic event.

9 18. "Sports facility" means a facility that is owned by a
10 commercial, state or local government or quasi-governmental entity that
11 hosts professional sports events and that **MEETS ANY OF THE FOLLOWING:**

12 (a) **IS LOCATED IN A COUNTY WITH A POPULATION OF FOUR MILLION**
13 **PERSONS OR MORE AND** holds a seating capacity of more than ten thousand
14 persons at its primary facility. ~~;~~

15 (b) **IS LOCATED IN A COUNTY WITH A POPULATION OF LESS THAN FOUR**
16 **MILLION PERSONS AND HOLDS A SEATING CAPACITY OF TEN THOUSAND PERSONS AT**
17 **ITS PRIMARY FACILITY IN BOTH THE PLAYING AREA AND THE AREA CONTIGUOUS TO**
18 **THE PLAYING AREA AS LONG AS THE BUILDING WHERE THE TEAM PLAYS HAS THE**
19 **REQUISITE CAPACITY TO MARKET, SELL AND MAKE AVAILABLE FOR USE TEN THOUSAND**
20 **SEATS.**

21 (c) **IS** one location in this state that hosts an annual golf
22 tournament on the PGA tour. ~~and~~

23 (d) **IS** one location that holds an outdoor motorsports facility that
24 hosts a national association for stock car auto racing national touring
25 race.

26 19. "Sports governing body" means an organization headquartered in
27 the United States that prescribes final rules and enforces codes of
28 conduct with respect to a sports event and participants in a sports event.

29 ~~20.~~ 20. "Supplier" means a person that manufactures, distributes
30 or supplies event wagering equipment or software, including event wagering
31 systems.

32 ~~20.~~ 21. "Tier one sports wager" means a sports wager that is
33 determined solely by the final score or final outcome of the sports event
34 and that is placed before the sports event has begun.

35 ~~21.~~ 22. "Tier two sports wager" means a sports wager that is not a
36 tier one sports wager.

37 23. "Wager":

38 (a) Means a sum of money or thing of value risked on an uncertain
39 occurrence.

40 (b) Includes tier one and tier two sports wagers, single-game bets,
41 teaser bets, parlays, over-under bets, moneyline bets, pools, exchange
42 wagering, in-game wagering, in-play bets, proposition bets, straight bets
43 and other wagers approved by the department.