

State of Arizona  
Senate  
Fifty-second Legislature  
First Regular Session  
2015

# SENATE BILL 1480

AN ACT

AMENDING SECTIONS 5-101, 5-101.01, 5-221, 5-224 AND 32-3601, ARIZONA REVISED STATUTES; REPEALING SECTION 32-3604, ARIZONA REVISED STATUTES; AMENDING SECTION 32-3605, ARIZONA REVISED STATUTES; RELATING TO STATE AGENCY CONSOLIDATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 5-101, Arizona Revised Statutes, is amended to  
3 read:

4 5-101. Definitions

5 In this article, unless the context otherwise requires:

6 1. "Additional wagering facility" means a facility that is not the  
7 enclosure in which authorized racing takes place but that meets the  
8 requirements of section 5-111, subsection A and is used by a permittee for  
9 handling pari-mutuel wagering.

10 2. "Advance deposit wagering" means a form of pari-mutuel wagering  
11 that allows a person to deposit monies in advance in an account with an  
12 advance deposit provider and use the monies to pay for pari-mutuel wagering  
13 on live or simulcast racing that the advance deposit pari-mutuel wagering  
14 permittee accepts or makes.

15 3. "Advance deposit wagering provider" means a betting system or  
16 multijurisdictional wagering provider that is authorized to conduct advance  
17 deposit wagering pursuant to this article.

18 4. "Applicant" means a person, partnership, association or corporation  
19 placing before the department an application for a permit or license.

20 5. "Association" means a body of persons, corporations, partnerships  
21 or associations, united and acting together without a charter from the state  
22 for the prosecution of some common enterprise.

23 6. "Commercial horse racing" means horse racing conducted other than  
24 by a county fair association.

25 7. "Commission" means the Arizona racing commission.

26 8. "Concessionaire" means a person, partnership, association or  
27 corporation that offers goods or services for sale to the public, a permittee  
28 or a licensee at an enclosure in which authorized racing takes place or an  
29 additional wagering facility.

30 9. "County fair facility" means any place, enclosure or track  
31 constructed in accordance with a permit issued by the commission for the  
32 purpose of running county fair horse racing dates as well as any commercial  
33 dates for horse racing that may be awarded by the commission in reference to  
34 the location.

35 10. "County fair racing association" means an association duly  
36 authorized by the board of supervisors to conduct a county fair racing  
37 meeting for the benefit of the county.

38 11. "Dark day simulcast" means a simulcast received on a day when  
39 there are no posted races conducted at the enclosure in which authorized  
40 racing takes place.

41 12. "Department" means the ~~Arizona~~ department of ~~racing~~ GAMING.

42 13. "Desensitized" means that a horse's or dog's legs ~~upon~~ ON arrival  
43 at the receiving barn, saddling paddock or lockout kennel do not respond  
44 appropriately to tests for feeling administered by an official veterinarian.

- 1           14. "Director" means the director of the ~~Arizona~~ department of ~~racing~~  
2 ~~GAMING~~.
- 3           15. "Dog racing" means racing in which greyhound dogs chase a  
4 mechanical lure.
- 5           16. "Entered" means that a horse or dog has been registered with an  
6 authorized racing official as a participant in a specified race and has not  
7 been withdrawn prior to presentation of the horse or dog for inspection and  
8 testing as provided in section 5-105.
- 9           17. "Financial interest" means any direct pecuniary interest.
- 10          18. "Firm" means a business unit or enterprise that transacts  
11 business.
- 12          19. "Handle" means the total amount of money contributed to all  
13 pari-mutuel pools by bettors.
- 14          20. "Harness racing" means horse racing in which the horses are  
15 harnessed to a sulky, carriage or similar vehicle and driven by a driver.
- 16          21. "Horse racing" means racing in which horses are mounted and ridden  
17 by jockeys. For purposes of county fair racing meetings, "horse racing"  
18 means racing in which horses or mules are mounted and ridden by jockeys.
- 19          22. "License" means the license issued by the department to each  
20 employee or other person participating in any capacity in a racing meeting,  
21 including officials and employees of the pari-mutuel department.
- 22          23. "Pari-mutuel wagering" means a system of betting that provides for  
23 the distribution among the winning patrons of at least the total amount  
24 wagered less the amount withheld under state law.
- 25          24. "Permit" means a permit for a racing meeting issued under the  
26 provisions of this article.
- 27          25. "Racing meeting" means a number of days of racing allotted by the  
28 commission in one permit.
- 29          26. "Simulcast" means the telecast shown within this state of live  
30 audio and visual signals of horse, harness or dog races conducted at an  
31 out-of-state track or the telecast shown outside this state of live audio and  
32 visual signals of horse, harness or dog races originating within this state  
33 for the purpose of pari-mutuel wagering.
- 34          27. "Source market fee" means the fee that an advance deposit wagering  
35 provider pays to a commercial live-racing permittee in the state where the  
36 advance deposit wagering customer resides.
- 37          28. "Telephone" means any device that a person uses for voice  
38 communications in connection with the services of a telephone company.
- 39          29. "Undesirable" includes known bookmakers, touts, persons convicted  
40 of a violation of any provision of this article or of any law prohibiting  
41 bookmaking or any other illegal forms of wagering, or any other person whose  
42 presence would, in the opinion of the director, be inimical to the interests  
43 of the state.
- 44          30. "Week" means seven consecutive days beginning on Monday and ending  
45 on Sunday, mountain standard time.

1           Sec. 2. Section 5-101.01, Arizona Revised Statutes, is amended to  
2 read:

3           5-101.01. Division of racing; director; qualifications; term;  
4                                   deputy director; conflict of interest

5           A. There is established ~~an Arizona~~ A DIVISION OF RACING WITHIN the  
6 department of ~~racing~~ GAMING.

7           B. ~~The governor shall appoint a director of the department pursuant to~~  
8 ~~section 38-211.~~ The director ~~serves at the pleasure of the governor~~ SHALL  
9 ADMINISTER THE DIVISION. To be eligible for appointment as director, a  
10 person must have a minimum of five years of experience in business and  
11 administration and shall not have a financial interest in a racetrack or in  
12 the racing industry in this state during his appointment. ~~The governor may~~  
13 ~~appoint an acting director if there is a vacancy in the office.~~

14           C. The ~~commission~~ DIRECTOR may establish the position of deputy  
15 director of the ~~department~~ DIVISION.

16           D. The ~~positions~~ POSITION of ~~director and~~ deputy director, if  
17 applicable, ~~are~~ IS exempt from title 41, chapter 4, articles 5 and 6.  
18 ~~Persons holding~~ The ~~positions of director and~~ deputy director, if applicable,  
19 ~~are~~ IS eligible to receive compensation pursuant to section 38-611.

20           E. The provisions of title 38, chapter 3, article 8, relating to  
21 conflict of interest, apply to the director and all other employees of the  
22 department.

23           F. Neither the director, any employee of the department nor any member  
24 of the immediate family of the director or other employee of the department  
25 may:

26           1. Have any pecuniary interest in a racetrack in this state or in any  
27 kennel, stable, compound or farm licensed under this chapter.

28           2. Wager money at a racetrack enclosure or additional wagering  
29 facility in this state or wager money on the results of any race held at a  
30 racetrack enclosure in this state.

31           3. Hold more than a five ~~per cent~~ PERCENT interest in any entity doing  
32 business with a racetrack in this state.

33           4. Have any interest, whether direct or indirect, in a license issued  
34 pursuant to this chapter or in a licensee, facility or entity that is  
35 involved in any way with pari-mutuel wagering. For the purposes of this  
36 paragraph, "interest" includes employment.

37           G. Failure to comply with subsection F of this section is grounds for  
38 dismissal.

39           H. For the purposes of subsection F of this section, "immediate  
40 family" means a spouse or children who regularly reside in the household of  
41 the director or other employee of the department.

42           Sec. 3. Section 5-221, Arizona Revised Statutes, is amended to read:

43           5-221. Definitions

44           In this article, unless the context otherwise requires:

1           1. "Boxing" means the act of attack and defense with the fists, using  
2 padded gloves, that is practiced as a sport. Where applicable, boxing  
3 includes kickboxing.

4           2. "Commission" means the Arizona state boxing and mixed martial arts  
5 commission.

6           3. "Contest" means any boxing or mixed martial arts bout, event,  
7 contest, match or exhibition between two persons.

8           4. "Department" means the ~~Arizona~~ department of ~~rac~~ing GAMING.

9           5. "Director" means the director of the ~~Arizona~~ department of ~~rac~~ing  
10 GAMING.

11          6. "Executive director" means the executive director of the  
12 commission.

13          7. "Kickboxing" means a form of boxing, including muay thai pursuant  
14 to rules and regulations of the United States muay thai association or  
15 another muay thai sanctioning body that is approved by the commission, in  
16 which blows are delivered with any part of the arm below the shoulder,  
17 including the hand, and any part of the leg below the hip, including the  
18 foot.

19          8. "Mixed martial arts" means any form of competition or contest,  
20 other than boxing or kickboxing, in which blows are delivered and in which  
21 the competitors use any combination of tactics including boxing, wrestling,  
22 striking, kicking, martial arts and submission techniques.

23          9. "Professional" means any person who competes for any money prize or  
24 a prize that exceeds the value of thirty-five dollars or teaches or pursues  
25 or assists in the practice of boxing or mixed martial arts as a means of  
26 obtaining a livelihood or pecuniary gain.

27          10. "Tough man contest" means any boxing match consisting of one  
28 minute rounds, between two or more persons who use their hands, wearing  
29 padded gloves that weigh at least twelve ounces, or their feet, or both, in  
30 any manner. Tough man contest does not include kickboxing or any recognized  
31 martial arts competition.

32          Sec. 4. Section 5-224, Arizona Revised Statutes, is amended to read:

33          5-224. Division of boxing and mixed martial arts regulation;  
34 powers and duties

35          A. A division of boxing and mixed martial arts regulation is  
36 established in the ~~Arizona~~ department ~~of rac~~ing to provide staff support for  
37 the Arizona state boxing and mixed martial arts commission. Subject to title  
38 41, chapter 4, article 4, the director of the department shall appoint an  
39 executive director to perform the duties prescribed in this article. The  
40 resources for the Arizona state boxing and mixed martial arts commission  
41 shall come from monies appropriated to the department ~~of rac~~ing from the  
42 racing regulation fund established by section 5-113.01 or from other sources  
43 prescribed in section 5-225, subsection D.

1 B. The commission shall obtain from a physician licensed to practice  
2 in this state rules and standards for the physical examination of boxers and  
3 referees. A schedule of fees to be paid physicians by the promoter or  
4 matchmaker for the examination shall be set by the commission.

5 C. The commission may adopt and issue rules pursuant to title 41,  
6 chapter 6 to carry out the purposes of this chapter.

7 D. The commission shall hold regular meetings at least quarterly and  
8 in addition may hold special meetings. Except as provided in section 5-223,  
9 subsection B, all meetings of the commission shall be open to the public and  
10 reasonable notice of the meetings shall be given pursuant to title 38,  
11 chapter 3, article 3.1.

12 E. The commission shall:

13 1. Make and maintain a record of the acts of the division, including  
14 the issuance, denial, renewal, suspension or revocation of licenses.

15 2. Keep records of the commission open to public inspection at all  
16 reasonable times.

17 3. Assist the director in the development of rules to be implemented  
18 pursuant to section 5-104, subsection ~~U~~.

19 4. Conform to the rules adopted pursuant to section 5-104,  
20 subsection ~~U~~.

21 F. The commission may enter into intergovernmental agreements with  
22 Indian tribes, tribal councils or tribal organizations to provide for the  
23 regulation of boxing and mixed martial arts contests on Indian reservations.  
24 Nothing in this chapter shall be construed to diminish the authority of the  
25 department ~~of gaming~~.

26 Sec. 5. Heading change

27 A. The chapter heading of title 6, chapter 1, Arizona Revised  
28 Statutes, is changed from "STATE BANKING DEPARTMENT" to "DEPARTMENT OF  
29 FINANCIAL INSTITUTIONS".

30 B. The article heading of title 6, chapter 1, article 2, Arizona  
31 Revised Statutes, is changed from "STATE BANKING DEPARTMENT" to "DEPARTMENT  
32 OF FINANCIAL INSTITUTIONS".

33 C. The chapter heading of title 32, chapter 36, Arizona Revised  
34 Statutes, is changed from "STATE BOARD OF APPRAISAL" to "REAL ESTATE  
35 APPRAISAL".

36 Sec. 6. Section 32-3601, Arizona Revised Statutes, is amended to read:  
37 32-3601. Definitions

38 In this chapter, unless the context otherwise requires:

39 1. "Appraisal" or "real estate appraisal" means a statement that is  
40 independently and impartially prepared by an individual setting forth an  
41 opinion as to the market value of real property as of a specific date and  
42 supported by the presentation and analysis of relevant market information.

43 2. "Appraisal assignment" means an engagement for which a real estate  
44 appraiser is employed or retained to act, or would be perceived by third  
45 parties or the public in acting, as a disinterested third party in rendering

1 an unbiased analysis, opinion or conclusion relating to the nature, quality,  
2 value or utility of specified interests in or aspects of identified real  
3 estate.

4 3. "Appraisal foundation" means the appraisal foundation incorporated  
5 as an Illinois not-for-profit corporation on November 30, 1987.

6 4. "Appraisal report" means any communication, written or oral, of an  
7 appraisal.

8 5. "Appraisal review" means the act of reviewing or the report that  
9 follows a review of an appraisal assignment or appraisal report in which a  
10 real estate appraiser forms an opinion as to the adequacy and appropriateness  
11 of the report being reviewed.

12 6. "Appraisal standards board" means the appraisal standards board  
13 appointed by the board of trustees of the appraisal foundation to develop,  
14 interpret and amend the uniform standards of professional appraisal practice.

15 7. "Appraisal subcommittee" means the subcommittee of the federal  
16 financial institutions examination council created pursuant to 12 United  
17 States Code section 3310 and chapter 34A, as amended.

18 8. "Appraiser qualifications board" means the appraiser qualifications  
19 board that is appointed by the board of trustees of the appraisal foundation  
20 to establish the minimum education, experience and examination requirements  
21 for real estate appraisers.

22 ~~9. "Board" means the state board of appraisal.~~

23 ~~10.~~ 9. "Complex one to four residential units" means property that is  
24 atypical for the marketplace. Atypical factors may include architectural  
25 style, age of improvements, size of improvements, size of lot, neighborhood  
26 land use, potential environmental hazard liability, leasehold interests,  
27 limited readily available comparable sales data or other unusual factors.

28 ~~11.~~ 10. "Course approval" means the act of the ~~board~~ SUPERINTENDENT  
29 reviewing course materials to form an opinion as to the adequacy and  
30 appropriateness of the course for licensing pursuant to section 32-3613,  
31 certification pursuant to section 32-3614 and continuing education as  
32 prescribed in section 32-3625 in accordance with the appraiser qualifications  
33 board and this chapter.

34 ~~12.~~ 11. "Federal financial institutions examination council" means  
35 that agency of the federal government created pursuant to 12 United States  
36 Code chapters 34 and 34A, as amended.

37 ~~13.~~ 12. "Federally related transaction" means any real estate related  
38 financial transaction that a federal financial institution's regulatory  
39 agency or the resolution trust corporation engages in, contracts for or  
40 regulates and that requires an appraisal.

41 ~~14.~~ 13. "Property tax agent" means an individual who is designated by  
42 a person or is an employee of an entity designated as an agent pursuant to  
43 section 42-16001, who acts on behalf of a person who owns, controls or  
44 possesses property valued by a county assessor and who receives a fee for the  
45 analysis of any matter relating to the review of the valuation of the

1 person's property before the assessor. Property tax agent does not include a  
2 person who is admitted to practice law in this state, an employee of the  
3 person owning, controlling or possessing the property or an employee of an  
4 entity designated pursuant to section 42-16001, if the employee is performing  
5 a secretarial, clerical or administrative support function.

6 ~~15-~~ 14. "Real estate" means an identified parcel or tract of land,  
7 including improvements, if any.

8 ~~16-~~ 15. "Real estate related financial transaction" means any  
9 transaction involving the sale of, lease of, purchase of, investment in or  
10 exchange of real property, including interests in property or the financing  
11 of property, the refinancing of real property or interests in real property  
12 and the use of real property or interests in property as security for a loan  
13 or investment including mortgage-backed securities.

14 ~~17-~~ 16. "Real property" means one or more defined interests, benefits  
15 and rights inherent in the ownership of real estate.

16 ~~18-~~ 17. "Registered trainee appraiser" means a person who meets both  
17 of the following requirements:

18 (a) Is registered with the ~~board~~ SUPERINTENDENT and meets the  
19 appraiser qualifications board's qualifications for trainee appraisers to  
20 perform appraisal services only under the direct supervision of a certified  
21 appraiser who has met the minimum criteria to be a supervisory appraiser.

22 (b) Accepts assignments only from the registered trainee appraiser's  
23 supervisory appraiser.

24 ~~19-~~ 18. "Review appraiser" means a person who engages in the activity  
25 of reviewing and evaluating the appraisal work of others from the perspective  
26 of an appraiser, generally for compensation as a separate skill. This  
27 includes the function of reviewing an appraisal report or a file memorandum  
28 setting forth the results of the review process.

29 ~~20-~~ 19. "Standards of professional appraisal practice" means the  
30 uniform standards of professional appraisal practice adopted by the ~~board~~  
31 SUPERINTENDENT.

32 ~~21-~~ 20. "State licensed or state certified appraiser" means a person  
33 who develops and communicates appraisals and who holds a current, valid  
34 license or certificate issued under this chapter.

35 21. "SUPERINTENDENT" MEANS THE SUPERINTENDENT OF FINANCIAL  
36 INSTITUTIONS.

37 22. "Supervisory appraiser" means a state certified appraiser who has  
38 a supervisory appraiser designation and who:

39 (a) Has been in good standing for the last three years in the  
40 jurisdiction in which the registered trainee appraiser practices.

41 (b) Has not been disciplined in a manner that affects the supervisory  
42 appraiser's eligibility to engage in appraisal practice in any jurisdiction  
43 in the last three years.

1 (c) Directly supervises registered trainee appraisers by doing the  
2 following:

3 (i) Accepting responsibility for an appraisal by signing and  
4 certifying that the appraisal complies with the uniform standards of  
5 professional appraisal practice.

6 (ii) Reviewing and signing all registered trainee appraiser reports.

7 (iii) Personally inspecting each appraised property with the  
8 registered trainee appraiser.

9 23. "Value" means the monetary relationship between properties and  
10 those who buy, sell or use those properties.

11 Sec. 7. Repeal

12 Section ~~32-3604~~, Arizona Revised Statutes, is repealed.

13 Sec. 8. Section 32-3605, Arizona Revised Statutes, is amended to read:

14 ~~32-3605.~~ Superintendent; duties; powers; immunity

15 A. The ~~board~~ SUPERINTENDENT shall adopt rules in aid or in furtherance  
16 of this chapter.

17 B. The ~~state board of appraisal~~ SUPERINTENDENT shall:

18 1. In prescribing standards of professional appraisal practice, adopt  
19 standards that at a minimum are equal to the standards prescribed by the  
20 appraisal standards board.

21 2. In prescribing criteria for certification, adopt criteria that at a  
22 minimum are equal to the minimum criteria for certification adopted by the  
23 appraiser qualifications board.

24 3. In prescribing criteria for licensing and registration, adopt  
25 criteria that at a minimum are equal to the minimum criteria for licensing  
26 and registration adopted by the appraiser qualifications board.

27 4. Further define by rule with respect to state licensed or state  
28 certified appraisers appropriate and reasonable educational experience,  
29 appraisal experience and equivalent experience that meets the statutory  
30 requirement of this chapter.

31 5. Adopt the national examination as approved by the appraiser  
32 qualifications board for state certified appraisers.

33 6. Adopt the national examination as approved by the appraiser  
34 qualifications board for state licensed appraisers.

35 7. Establish administrative procedures for approving or disapproving  
36 applications for registration, licensure and certification and issuing  
37 licenses and certificates, including registration certificates.

38 8. Define by rule, with respect to state licensed and certified  
39 appraisers, the continuing education requirements for the renewal of licenses  
40 or certificates that satisfy the statutory requirements provided in this  
41 chapter.

42 9. Periodically review the requirements for the development and  
43 communication of appraisals provided in this chapter and adopt rules  
44 explaining and interpreting the requirements.

1           10. Define and explain by rule each stage and step associated with the  
2 administrative procedures for the disciplinary process pursuant to this  
3 chapter, including:

4           (a) Prescribing minimum criteria for accepting a complaint against a  
5 registered trainee appraiser or a licensed or certified appraiser. The ~~board~~  
6 ~~SUPERINTENDENT~~ may not consider a complaint for administrative action if the  
7 complaint either:

8           (i) Relates to an appraisal that was completed more than five years  
9 before the complaint was submitted to the ~~board~~ SUPERINTENDENT or more than  
10 two years after final disposition of any judicial proceeding in which the  
11 appraisal was an issue, whichever period of time is greater.

12           (ii) Is filed against a person who is a ~~member or~~ staff person of the  
13 ~~board or a board-appointed committee~~ DEPARTMENT OF FINANCIAL INSTITUTIONS and  
14 the person is a licensed or certified appraiser and the complaint is against  
15 the person's license or certificate and relates to the person's performance  
16 of ~~board or committee~~ duties. This item does not apply to a contract  
17 investigator who is under contract with the ~~board~~ DEPARTMENT for the  
18 performance of an appraisal review as defined by the uniform standards of  
19 professional appraisal practice. This item does not remove the requirement  
20 that the ~~board member~~ STAFF PERSON is subject to the ethics rules section of  
21 the uniform standards of professional appraisal practice.

22           (b) Defining the process and procedures used in investigating the  
23 allegations of the complaint. The ~~board~~ SUPERINTENDENT shall consolidate  
24 complaints that are filed within a six-month period of time if the complaints  
25 are against the same appraiser, relate to the same appraisal and property and  
26 are filed by an entity that is subject to the mandatory reporting provisions  
27 of the Dodd-Frank Wall Street reform and consumer protection act  
28 (P.L. 111-203; 124 Stat. 1376). Complaints that are consolidated pursuant to  
29 this subdivision must be considered and adjudicated as one complaint.

30           (c) Defining the process and procedures used in hearings on the  
31 complaint, including a description of the rights of the ~~board~~ SUPERINTENDENT  
32 and any person who is alleged to have committed the violation.

33           (d) Establishing criteria to be used in determining the appropriate  
34 actions for violations.

35           11. Communicate information that is useful to the public and  
36 appraisers relating to actions for violations.

37           12. Issue decrees of censure, fix periods and terms of probation and  
38 suspend and revoke licenses and certificates pursuant to the disciplinary  
39 proceedings provided for in section 32-3631.

40           13. At least monthly transmit to the appraisal subcommittee a roster  
41 listing individuals who have received a state certificate or license in  
42 accordance with this chapter.

43           14. Report on the disposition of any matter referred by the appraisal  
44 subcommittee or any other federal agency or instrumentality or federally

1 recognized entity reporting any action of a state licensed or state certified  
2 appraiser that is contrary to this chapter.

3 15. Make a determination and finding if there exists a scarcity of  
4 state certified or state licensed appraisers to perform appraisals in  
5 connection with federally related transactions in this state and issue  
6 resident temporary licenses and certificates pursuant to section 32-3626.

7 16. Transmit the national registry fee collected pursuant to section  
8 32-3607 to the appraisal subcommittee.

9 17. Establish the fees in accordance with section 32-3607.

10 18. Perform such other functions and duties as may be necessary to  
11 carry out this chapter.

12 ~~C. Subject to title 41, chapter 4, article 4, the board may employ an~~  
13 ~~executive director and other personnel and designate their duties. The~~  
14 ~~executive director shall serve at the pleasure of the board.~~

15 ~~D. The executive director shall not change or amend actions of the~~  
16 ~~board.~~

17 E. C. The ~~board~~ SUPERINTENDENT may accept and spend federal monies  
18 and grants, gifts, contributions and devises from any public or private  
19 source to assist in carrying out the purposes of this chapter. These monies  
20 do not revert to the state general fund at the end of the fiscal year.

21 F. D. The board may impose a civil penalty pursuant to section  
22 32-3632.

23 Sec. 9. Behavioral health services; transfer; succession;  
24 Arizona health care cost containment system  
25 administration

26 A. From and after June 30, 2016, the provision of behavioral health  
27 services under the division of behavioral health services in the department  
28 of health services is transferred to and shall be administered by the Arizona  
29 health care cost containment system administration. From and after June 30,  
30 2016, the Arizona health care cost containment system administration succeeds  
31 to the authority, powers, duties and responsibilities of the division of  
32 behavioral health services. This transfer does not include the Arizona state  
33 hospital.

34 B. This act does not alter the effect of any actions or impair the  
35 valid obligations of the division of behavioral health services taken before  
36 July 1, 2016.

37 C. Administrative rules and orders that were adopted by the division  
38 of behavioral health services continue in effect until superseded by  
39 administrative action by the Arizona health care cost containment system  
40 administration. Until administrative action is taken by the Arizona health  
41 care cost containment system administration, any reference to the division of  
42 behavioral health services in the divisions's rules and orders is considered  
43 to refer to the Arizona health care cost containment system administration.

44 D. All administrative matters, contracts and judicial and  
45 quasi-judicial actions, whether completed, pending or in process, of the

1 division of behavioral health services on July 1, 2016 are transferred to and  
2 retain the same status with the Arizona health care cost containment system  
3 administration.

4 E. All certificates, licenses, registrations, permits and other  
5 indicia of qualification and authority that were issued by the division of  
6 behavioral health services retain their validity for the duration of their  
7 terms of validity as provided by law.

8 F. All tangible and intangible property and assets, all data and  
9 investigative findings and all appropriated monies that remain unexpended and  
10 unencumbered on July 1, 2016 of the division of behavioral health services  
11 are transferred to the Arizona health care cost containment system  
12 administration.

13 Sec. 10. Arizona department of racing; succession; department  
14 of gaming

15 A. The department of gaming succeeds to the authority, powers, duties  
16 and responsibilities of the Arizona department of racing.

17 B. The Arizona racing commission has no authority over the duties and  
18 responsibilities of the department of gaming.

19 C. This act does not alter the effect of any actions or impair the  
20 valid obligations of the Arizona department of racing taken before the  
21 succession prescribed in subsection A of this section.

22 D. Administrative rules and orders that were adopted by the Arizona  
23 department of racing continue in effect until superseded by administrative  
24 action by the department of gaming. Until administrative action is taken by  
25 the department of gaming, any reference to the Arizona department of racing  
26 in the Arizona department of racing's rules and orders is considered to refer  
27 to the department of gaming.

28 E. All administrative matters, contracts and judicial and  
29 quasi-judicial actions, whether completed, pending or in process, of the  
30 Arizona department of racing are transferred to and retain the same status  
31 with the department of gaming.

32 F. All certificates, licenses, registrations, permits and other  
33 indicia of qualification and authority that were issued by the Arizona  
34 department of racing retain their validity for the duration of their terms of  
35 validity as provided by law.

36 G. All tangible and intangible property and assets, all data and  
37 investigative findings and all appropriated monies that are unexpended and  
38 unencumbered of the Arizona department of racing are transferred to the  
39 department of gaming.

40 H. All personnel under the state personnel system who are employed by  
41 the Arizona department of racing are transferred to comparable positions and  
42 pay classifications in the department of gaming.

