

gaming; racing; boxing; conflict-of-interest continuation

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

CHAPTER 239

SENATE BILL 1671

AN ACT

AMENDING SECTIONS 5-101.01, 5-223 AND 5-604, ARIZONA REVISED STATUTES; AMENDING TITLE 5, CHAPTER 6, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 5-606; AMENDING SECTION 5-1312, ARIZONA REVISED STATUTES; REPEALING SECTIONS 41-3026.04, 41-3026.13 AND 41-3026.22, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 41-3032.11, 41-3032.15 AND 41-3032.20; RELATING TO GAMING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

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

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

6 A. There is established a division of racing within the department
7 of gaming.

8 B. The director shall administer the division. To be eligible for
9 appointment as director, a person must have a minimum of five years of
10 experience in business and administration and shall not have a financial
11 interest in a racetrack or in the racing industry in this state during
12 that person's appointment.

13 C. The director may establish the position of deputy director of
14 the division.

15 D. The position of deputy director, if applicable, is exempt from
16 title 41, chapter 4, articles 5 and 6. The deputy director, if applicable,
17 is eligible to receive compensation pursuant to section 38-611.

18 E. ~~The provisions of~~ Title 38, chapter 3, article 8, relating to
19 conflict of interest, ~~apply~~ APPLIES to the director and all other
20 employees of the department.

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

24 1. Have any pecuniary interest in a racetrack in this state or in
25 any stable, compound or farm licensed under this chapter.

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

29 3. Hold more than a five percent interest in any entity doing
30 business with a racetrack in this state.

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

35 G. THE DIRECTOR, THE DEPUTY DIRECTOR, IF APPLICABLE, AND ALL
36 EMPLOYEES OF THE DEPARTMENT SHALL COMPLETE A CONFLICT-OF-INTEREST
37 DISCLOSURE FORM ON INITIAL APPOINTMENT AS DIRECTOR AND DEPUTY DIRECTOR, IF
38 APPLICABLE, AND ON HIRING AS A NEW EMPLOYEE. THE DIRECTOR, THE DEPUTY
39 DIRECTOR, IF APPLICABLE, AND ALL DEPARTMENT EMPLOYEES SHALL SUBMIT AN
40 UPDATED CONFLICT-OF-INTEREST DISCLOSURE FORM ANNUALLY IF ANY
41 CONFLICT-OF-INTEREST INFORMATION HAS CHANGED.

1 ~~G.~~ H. Failure to comply with subsection F OR G of this section is
2 grounds for dismissal.

3 ~~H.~~ I. For the purposes of subsection F of this section, "immediate
4 family" means a spouse or children who regularly reside in the household
5 of the director or other employee of the department.

6 Sec. 2. Section 5-223, Arizona Revised Statutes, is amended to
7 read:

8 5-223. Arizona state boxing and mixed martial arts
9 commission; appointment; terms; compensation;
10 conflict of interest; emergency ringside meetings

11 A. The ~~Arizona state boxing and mixed martial arts~~ commission
12 consists of three members appointed by the governor pursuant to section
13 38-211. The term of office of commissioners is three years. The term of
14 one member shall expire on the third Monday in January each year.

15 B. Two members of the commission constitute a quorum for conducting
16 business. A concurrence of two members is necessary to render a decision
17 by the commission. Emergency ringside meetings held immediately ~~prior~~
18 ~~BEFORE~~ and ~~subsequent to~~ AFTER a scheduled contest for the purpose of
19 determining whether there has been a violation of the rules and
20 regulations of the commission or this chapter are exempt from ~~the~~
21 ~~provisions of~~ title 38, chapter 3, article 3.1.

22 C. The commissioners shall receive compensation as determined
23 pursuant to section 38-611 for each day they act in their official
24 capacity, not to exceed one hundred days each year.

25 D. A commissioner shall not during the commissioner's term of
26 office promote, sponsor or have any financial interest in a combatant, a
27 boxing contest or in the premises leased for a boxing contest.

28 E. THE EXECUTIVE DIRECTOR, ALL COMMISSIONERS AND ALL DEPARTMENT AND
29 COMMISSION EMPLOYEES SHALL COMPLETE A CONFLICT-OF-INTEREST DISCLOSURE FORM
30 ON INITIAL APPOINTMENT AS A COMMISSIONER AND ON HIRING AS A NEW EMPLOYEE.
31 THE EXECUTIVE DIRECTOR, ALL COMMISSIONERS AND ALL EMPLOYEES SHALL SUBMIT
32 AN UPDATED CONFLICT-OF-INTEREST DISCLOSURE FORM ANNUALLY IF ANY
33 CONFLICT-OF-INTEREST INFORMATION HAS CHANGED.

34 Sec. 3. Section 5-604, Arizona Revised Statutes, is amended to
35 read:

36 5-604. Department of gaming; director; qualifications; term;
37 conflict of interest; grounds for dismissal

38 A. The department of gaming is established.

39 B. The governor shall appoint a director of the department of
40 gaming pursuant to section 38-211. The director serves at the pleasure of
41 the governor. To be eligible for appointment as director, a person shall
42 not have a financial interest in a gambling operation or in the gambling
43 industry in this state during the term of appointment. The governor may
44 appoint an acting director if there is a vacancy in the office.

1 C. The director and all other employees of the department are
2 subject to title 41, chapter 4, article 4. The director is eligible to
3 receive compensation pursuant to section 38-611.

4 D. The employment or financial interest of any relative to the
5 first degree of consanguinity or affinity to the director or any other
6 employee of the department in the gambling industry in this state is
7 grounds for the dismissal of the director or employee of the department.

8 E. THE DIRECTOR AND ALL EMPLOYEES OF THE DEPARTMENT SHALL COMPLETE
9 A CONFLICT-OF-INTEREST DISCLOSURE FORM ON INITIAL APPOINTMENT AS DIRECTOR
10 AND ON HIRING AS A NEW EMPLOYEE. THE DIRECTOR AND ALL DEPARTMENT
11 EMPLOYEES SHALL SUBMIT AN UPDATED CONFLICT-OF-INTEREST DISCLOSURE FORM
12 ANNUALLY IF ANY CONFLICT-OF-INTEREST INFORMATION HAS CHANGED.

13 Sec. 4. Title 5, chapter 6, article 1, Arizona Revised Statutes, is
14 amended by adding section 5-606, to read:

15 5-606. Complaints; tracking system; annual report

16 A. THE DEPARTMENT SHALL CREATE AND IMPLEMENT A COMPLAINT SUBMISSION
17 PROCESS AND COMPLAINT TRACKING SYSTEM THAT ALLOW THE DEPARTMENT TO TRACK
18 AND MONITOR COMPLAINTS RELATING TO THIS CHAPTER AND CHAPTERS 2, 10 AND 11
19 OF THIS TITLE. THE DEPARTMENT SHALL MAKE THE COMPLAINT SUBMISSION PROCESS
20 AVAILABLE ON THE DEPARTMENT WEBSITE.

21 B. ON OR BEFORE SEPTEMBER 30 OF EACH YEAR, THE DEPARTMENT SHALL
22 SUBMIT AN ANNUAL REPORT TO THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE
23 HOUSE OF REPRESENTATIVES AND THE GOVERNOR THAT INCLUDES AGGREGATE DATA OF
24 COMPLAINTS THAT ARE RECEIVED BY THE DEPARTMENT RELATING TO PERSONS OR
25 ENTITIES THAT ARE LICENSED OR REGULATED PURSUANT TO THIS TITLE AND THAT
26 ARE WITHIN THE STATUTORY AUTHORITY OF THE DEPARTMENT.

27 Sec. 5. Section 5-1312, Arizona Revised Statutes, is amended to
28 read:

29 5-1312. Reporting

30 A. On or before September 30 of each year, the department shall
31 prepare and submit an annual report to the governor, the president of the
32 senate and the speaker of the house of representatives, and shall provide
33 a copy to the secretary of state that contains the following information:

34 1. The number of active licensees by type.
35 2. The aggregate gross and net revenue of all licensees.
36 3. The number of investigations conducted to enforce this chapter.
37 4. The financial impact on this state of the event wagering
38 industry in this state.

39 B. The report may be included with other information required to be
40 submitted by the department annually. A report submitted under subsection
41 A of this section may be submitted electronically.

42 C. THE REPORT REQUIRED PURSUANT TO SUBSECTION A OF THIS SECTION
43 MUST INCLUDE A STATEMENT THAT INDICATES THE NUMBER OF INDEPENDENT AUDIT
44 RESULTS THAT ARE REQUIRED TO BE SUBMITTED BY LICENSED EVENT WAGERING
45 OPERATORS AND MANAGEMENT SERVICES PROVIDERS PURSUANT TO SECTION 5-1319 AND

1 THAT WERE RECEIVED BY THE DEPARTMENT AND MUST INCLUDE ANY CORRECTIVE
2 ACTIONS TAKEN BY THE DEPARTMENT REGARDING OVERPAYMENT OR UNDERPAYMENT OF
3 PRIVILEGE FEES.

4 Sec. 6. Repeal

5 Sections 41-3026.04, 41-3026.13 and 41-3026.22, Arizona Revised
6 Statutes, are repealed.

7 Sec. 7. Title 41, chapter 27, article 2, Arizona Revised Statutes,
8 is amended by adding sections 41-3032.11, 41-3032.15 and 41-3032.20 to
9 read:

10 41-3032.11. Arizona racing commission; termination July 1,
11 2032

12 A. THE ARIZONA RACING COMMISSION TERMINATES ON JULY 1, 2032.

13 B. TITLE 5, CHAPTER 1 AND THIS SECTION ARE REPEALED ON JANUARY 1,
14 2033.

15 41-3032.15. Arizona state boxing and mixed martial arts
16 commission; termination July 1, 2032

17 A. THE ARIZONA STATE BOXING AND MIXED MARTIAL ARTS COMMISSION
18 TERMINATES ON JULY 1, 2032.

19 B. TITLE 5, CHAPTER 2 AND THIS SECTION ARE REPEALED ON JANUARY 1,
20 2033.

21 41-3032.20. Department of gaming; termination July 1, 2032

22 A. THE DEPARTMENT OF GAMING TERMINATES ON JULY 1, 2032.

23 B. SECTIONS 5-601, 5-602, 5-602.01, 5-603 AND 5-604, TITLE 5,
24 CHAPTERS 10 AND 11 AND THIS SECTION ARE REPEALED ON JANUARY 1, 2033.

25 Sec. 8. Purpose

26 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
27 the legislature continues the department of gaming to:

28 1. Carry out the responsibilities of the state gaming agency in
29 compacts executed by the state Indian tribes and this state pursuant to
30 the Indian gaming regulatory act of 1988 (25 United States Code sections
31 2701 through 2721 and 18 United States Code sections 1166 through 1168).

32 2. Ensure the integrity of fantasy sports contests.

33 3. Enforce and supervise compliance with the laws and rules
34 relating to regulating and controlling event wagering in this state.

35 4. Regulate racing and boxing and mixed martial arts in this state
36 in conjunction with their respective commissions.

37 Sec. 9. Purpose

38 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
39 the legislature continues the Arizona racing commission to regulate the
40 racing industry in this state for the protection of the public peace,
41 safety and welfare.

1 Sec. 10. Purpose

2 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
3 the legislature continues the Arizona state boxing and mixed martial arts
4 commission to provide the best protection for all interested parties in
5 the sports of boxing, kickboxing and mixed martial arts.

6 Sec. 11. Retroactivity

7 Sections 6 and 7 of this act are effective retroactively to from and
8 after July 1, 2026.

APPROVED BY THE GOVERNOR JUNE 22, 2026.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 22, 2026.