

**R19-4-106. Allocation for Applicants**

- A.** Once licenses initially become available, the Department will announce an application period of no less than [redacted] business days. If after the end of the application period the Department determines that there are more qualified applicants for a particular type of license than there are licenses available under the Act, the Department will evaluate all qualified applicants under the below listed criteria and allocate the licenses. The Department will make allocation decisions as quickly as reasonably possible under the circumstances given the number of qualified applicants and complexity of the decision-making process.
- B.** For an Arizona Indian Tribe (to include its wholly owned entity or designee) to be qualified for a license:
1. It must be an event wagering operator as defined in A.R.S. § 5-1301(7)(b) and meet the requirements of A.R.S. § 5-1304 (A)(2), (B), and (C).
  2. It and its event wagering employees must submit to background checks under 5-1302(C) and (E), not be prohibited participants under A.R.S. § 5-1301(16) or have a criminal history or other grounds sufficient to disqualify the applicant apparent on the face of the application as noted in A.R.S. § 5-1305(C), which will be determined by the factors listed in A.R.S. § 5-1305(B)(1-5).
- C.** For an Arizona Professional Sports Team (to include the PGA operator, the NASCAR promoter, or designee) to be qualified for a license:
1. It must qualify as an event wagering operator under A.R.S. § 5-1301(7)(a) and meet the requirements of A.R.S. § 5-1304 (A)(1), (B), and (C).
  2. It and its event wagering employees must submit to background checks under 5-1302(C) and (E), must not be prohibited participants under A.R.S. § 5-1301(16), and must not have a criminal history or other grounds sufficient to disqualify the applicant apparent on the face of the application as noted in A.R.S. § 5-1305(C), which will be determined by the factors listed in A.R.S. § 5-1305(B)(1-5).
- D.** For a limited event wagering operator to be qualified for a license:
1. It must be a limited event wagering operator as defined in 5-1301(8).
  2. It and its event wagering employees must submit to background checks under 5-1302(C) and (E), must not be prohibited participants under A.R.S. § 5-1301(16), and must not have a criminal history or other grounds sufficient to disqualify the applicant apparent on the face of the application as noted in A.R.S. § 5-1305(C), which will be determined by the factors listed in A.R.S. § 5-1305(B)(1-5).
  3. It must meet the requirements of A.R.S. § 5-1307(A), (B), and (C).
- E.** If more than ten (10) Arizona Indian Tribes or Professional Sports Teams qualify for a license, the Department shall allocate the licenses and ensure an

equal opportunity for all qualified applicants required by A.R.S. § 5-1305(C) by considering the following criteria:

1. Experience and track record of the event wagering operator, management services provider, or designee, both local and international, in the operation of event wagering.
2. Experience and track record of the event wagering operator, management services provider, or designee, both local and international, in the operation of gaming or related activity.
3. Contributions to the surrounding community (to include consideration of the size of the community, use of revenue to assist the community, and the extent to which the community has already, or may in the future, benefit from gaming).
4. Good standing in terms of obtaining and maintaining licenses/permits in all markets.
5. Demonstrated vision, willingness, and commitment to make local investments in the state considering behavior in other states, if applicable.
6. Demonstrated culture of player protection, investments in player protection, and an effective governance program.
7. Responsiveness, approachability, and involvement of local management.
8. Competency to conduct event wagering, including proposed internal controls, and the maximization of privilege fees to the State.
9. Ability to begin operating event wagering within six (6) months after obtaining the license.
10. Demonstrated financial stability, resources, integrity, and business ability and acumen.
11. Demonstrated regulatory compliance and cooperation with regulatory authorities.
12. The lack of opportunity to benefit from event wagering type activity in some manner or location without a license.
13. Whether the issuance of the license will provide benefits to other qualified applicants through partnerships or other opportunities.
14. Increased employment and enhancement of the labor market in the State.
15. A preference for qualified applicants who are located and/or headquartered in the State or who will use management services providers or are partners with an entity located and/or headquartered in the State.
16. For tribal licenses a preference that they be distributed among non-gaming tribes, rural gaming tribes, and to tribes located relatively near metropolitan areas in the State.
17. Whether the event wagering operator would appeal to a unique or unaddressed market or introduce a unique brand or affiliate.
18. Whether the issuance of a license to the event wagering operator would increase the patron base in the State.

19. Any other criteria, or the weighting of them, deemed by the Department to be in the best interests of the State.
- F.** If more than ten (10) limited event wagering operators qualify for a license, the Department shall allocate the licenses and ensure an equal opportunity for all qualified applicants required by A.R.S. § 5-1305(C) by considering the following criteria:
1. Experience and track record of the limited event wagering operator or management services provider, both local and international, in the operation of event wagering.
  2. Experience and track record of the limited event wagering operator or management services provider, both local and international, in the operation of pari-mutuel wagering, gaming, or related activity.
  3. Good standing in terms of obtaining and maintaining licenses/permits in all markets.
  4. Vision and willingness to make local investments in the in the state considering behavior in other states, if applicable.
  5. Demonstrated culture of player protection, investments in player protection, and an effective governance program.
  6. Responsiveness, approachability, and involvement of local management.
  7. Competency to conduct event wagering, including proposed internal controls, and the maximization of privilege fees to the State.
  8. Ability to begin operating event wagering within six (6) months after obtaining the license.
  9. Demonstrated financial stability, resources, integrity, and business ability and acumen.
  10. Demonstrated regulatory compliance and cooperation with regulatory authorities.
  11. Increased employment and enhancement of the labor market in the State, as well as enhancement of other racing enterprises in the State.
  12. A preference for locations with a large, unique, or unaddressed market.
  13. Whether the limited event wagering operator would introduce a unique brand or affiliate.
  14. Whether the issuance of a license to the limited event wagering operator would increase the patron base in the State.
  15. Any other criteria, or the weighting of them, deemed by the Department to be in the best interests of the State.
- G.** In the event one (1) or more previously allocated licenses become available, the Department will announce an application period and follow the allocation procedures outlined in this R19-4-106.