



A 21ST CENTURY TRIBAL-STATE GAMING COMPACT

MODERNIZING AND IMPROVING ARIZONA'S
GAMING COMPACT FOR THE FUTURE

“Nearly 20 years ago, Arizona voters passed the Tribal-State Gaming Compact. It’s been a net positive for all Arizonans. These compacts begin expiring within the next few years. For months, we’ve been working to develop a modern, updated agreement. One that is regulated, safe and limited. And that preserves the culture of our state.”

— GOVERNOR DOUG DUCEY —



BACKGROUND

In 1988, the U.S. Congress passed the Indian Gaming Regulatory Act (IGRA), which established a framework to regulate Indian gaming and recognized gaming as a way to promote tribal economic development and self-sufficiency.

Arizona's first Tribal-State Gaming Compacts were signed by Governor Fife Symington in 1992. Since then, all 22 federally recognized Indian tribes in Arizona have entered into compacts with the state.

The last major update to Arizona's Gaming Compact came about through Proposition 202, which voters approved in 2002. The compact establishes the technical standards and framework for gaming in Arizona.



WHY IT'S IMPORTANT

Across Arizona, Indian gaming employs thousands of Arizonans and generates millions in tax revenue for state and local governments —supporting K-12 schools, wildlife and habitat conservation, tourism and more. Gaming facilities also provide tribes with much relied-upon funding sources to support tribal education, health care, housing and other basic services such as clean water.



WHY NOW

Arizona's Gaming Compact has been updated multiple times, but this will be the most significant modernization over the last 20 years. Since 2002, our state has grown and changed significantly. So has everything from technology to how we conduct business and communicate with one another.

Arizona's gaming framework has worked. With the compacts set to expire in the coming years, our tribes are looking for certainty in order to plan for the future. Modernizing and updating the compact can provide this certainty while continuing to preserve the culture of our state.



WHAT THIS PLAN DOES

- Modernizes Arizona's Gaming Compact for the 21st Century
- Is a win-win-win for Arizonans, tribal members and our sports leagues and teams
- Increases revenue for areas such as education and conservation
- Provides certainty for tribal communities
- Keeps gaming regulated, safe and limited
- Preserves the unique culture of Arizona



CHANGES TO THE COMPACT





MODERNIZE COMPACTS

Continues requirements for Indian tribes to contribute a share of their net win from Class III gaming to pay for regulatory costs in exchange for substantial exclusivity with exceptions for:

- a. Sports betting
- b. Fantasy sports
- c. Keno

CONTINUED LIMITS ON GAMING

The number of Gaming Devices that a tribe may operate will continue to be limited, and a system that allows tribes to transfer all or some portion of its gaming device allocation to other tribes that have valid and effective tribal state compacts will remain in place.



LIMITATIONS ON LOCATION OF NEW FACILITIES

Specifies the number and location of authorized Gaming Facilities, including limitations on such. The amended compact specifies the number and location of when the new facilities can be opened and operated.

DEFINING THE PHOENIX METRO AREA

The agreement also provides limitations on gaming to ensure that it only takes place on tribal land within a defined geographic location around the Phoenix Metro Area.



ADDED GAMING OFF-RESERVATION

Amends the compacts to authorize the following types of gaming off-reservation without triggering the poison pill:

- **EVENT WAGERING**

- ◆ Links a limited number of licenses to Arizona-based professional sports teams and provides regulation by Department of Gaming
- ◆ Allows tribes to partner for off-reservation wagering but will require them to be licensed with the Department of Gaming
- ◆ Allows for betting on any teams for leagues who allow it
- ◆ Sets up licensing for operators
- ◆ Allows for licenses for tracks and Off Track Betting (OTB) locations

- **KENO THROUGH LOTTERY**

- ◆ Provides limits to locations that benefit charitable organizations

- **FANTASY CONTESTS**

- ◆ Provides for licensing through Department of Gaming
- ◆ Provides exemption for private fantasy contests whose prizes are under \$10,000

- **MOBILE DEVICES**

- ◆ Revises definition of gaming device



DURATION

Limits the duration of the compact to 20 additional years.

CARD GAMES

Specifies the types and forms of additional gaming that a tribe may operate, to include baccarat, roulette, craps, event wagering, fantasy sports betting, dealer controlled electronic table games, and other gaming that may be specifically authorized by the State Gaming Agency – does not automatically give new Class III games to tribes.



OFFICE OF THE GOVERNOR
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