



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

ENACTED

AMENDED

FACT SHEET FOR H.B. 2898/ S.B. 1736

amusements; 2024-2025

Purpose

Makes statutory and session law changes relating to amusements necessary to implement the FY 2025 state budget.

Background

The Arizona Constitution prohibits substantive law from being included in the general appropriations, capital outlay appropriations and supplemental appropriations bills. However, it is often necessary to make statutory and session law changes to effectuate the budget. Thus, separate bills called budget reconciliation bills (BRBs) are introduced to enact these provisions. Because BRBs contain substantive law changes, the Arizona Constitution provides that they become effective on the general effective date, unless an emergency clause is enacted.

H.B. 2898 contains the budget reconciliation provisions for changes relating to amusements.

Provisions

1. Applies the increased balance cap of \$400,000 for the Exposition and State Fair Board Permanent Revolving Fund to the period between 15 days before and 15 days after the annual Arizona State Fair, rather than the period between October 1 and November 30.
2. Decreases, from \$3,500,000 to \$1,750,000, the annual distribution from the State Lottery Fund to the Arizona Competes Fund.
3. Restores, effective July 1, 2027, the \$3,500,000 annual distribution from the State Lottery Fund to the Arizona Competes Fund.
4. Continues to require the Arizona Department of Gaming (ADG), in FY 2025, to establish and collect, in addition to amounts already authorized, a regulatory assessment from each commercial racing permittee in the amount of 0.5 percent of the amounts wagered, payable from pari-mutuel pools from in-state and out-of-state live and simulcast races.
5. Authorizes the ADG, for race meetings in the years 2024 and 2025, to allow a first-time starter horse to race as long as the horse has gate approval and at least two timed workouts.
6. Requires one of the timed workouts to be an out-of-the-gate workout that is conducted within 60 days of the race in which the horse is entered.

7. Repeals the authorization for the ADG to allow a first-time starter horse to race as long as the horse has gate approval and at least two timed workouts on January 1, 2026.
8. Makes technical changes.
9. Becomes effective on the general effective date, with a delayed effective date as noted.

Amendments Adopted by Committee of the Whole

1. Authorizes the ADG, for race meetings in the years 2024 and 2025, to allow a first-time starter horse to race as long as the horse has gate approval and at least two timed workouts, rather than to allow for gate approval of all tested horses within 60 day of the race in which the horse is entered.
2. Requires one of the timed workouts to be an out-of-the-gate workout that is conducted within 60 days of the race in which the horse is entered.
3. Removes the requirement for ADG to amend the Arizona Administrative Code.
4. Makes conforming changes.

House Action

APPROP 6/13/24 DP 9-7-1
3rd Read 6/15/24 31-27-2

Senate Action

APPROP 6/13/24 DP 5-4-1
3rd Read 6/15/24 17-12-1
(H.B. 2898 was substituted for S.B. 1736 on
3rd Read)

Signed by the Governor 6/18/24
Chapter 210

Prepared by Senate Research
June 24, 2024
JT/cs/slp