

15 tribes apply for 10 sports-betting licenses in Arizona

By Richard N. Velotta Las Vegas Review-Journal

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The Arizona Department of Gaming plans to evaluate sports wagering proposals of 15 Indian tribes to determine which 10 would be licensed to take bets — and do it before the National Football League season begins.

Department representatives on Tuesday disclosed they have received 10 applications seeking licensure as a professional sports team or organization, and 15 applications seeking licensure as an Arizona tribe.

Legislation approved earlier this year enables 10 licenses to be granted in each category.

Arizona sports wagering represents the closest state competitor to Las Vegas sportsbooks. Most local bookmakers believe the arrival of Arizona sports wagering won't affect betting revenue in the Silver State.

The Arizona Department of Gaming now has until early next week to determine whether all applicants legally qualify for licensing. And, if more than 10 tribes qualify, the department will have up to eight business days — by Aug. 27 — to allocate the licenses to qualified applicants so that marketing campaigns can begin Aug. 28, said department public information officer Max Hartgraves.

The NFL season begins Sept. 9 when the defending Super Bowl champion Tampa Bay Buccaneers host the Dallas Cowboys. The Arizona Department of Gaming hopes to establish daily fantasy sports wagering by Sept. 8.

By law, the Department of Gaming can't disclose which companies and tribes are in the running for licenses, Hartgraves said.

Brenden Bussmann, director of government affairs for Las Vegas-based Global Market Advisors, said he wasn't surprised that more applications came in from tribes than licenses available.

"This goes back to the challenge with this piece of legislation, which I've said from the beginning is what happens if you have more tribes applying than licenses available," Bussmann said. "That's why I thought the limitations they placed on this from the beginning were not in the best interests of the tribes and the overall market."

Hartgraves said there's no scenario in which additional licenses can be offered because the numbers were a part of the legislation.

He said the selection criteria includes 19 points to be considered by gaming administrators to make the final decision. The points include business ability, experience and track record for event wagering; the size of the operation; a commitment to make local investments; a preference that licenses be distributed among nongaming tribes, rural gaming tribes, and tribes located relatively near metropolitan areas in the state; and the ability to begin operating within six months.

Some tribes already have entered into partnerships with established gaming operators as an advantage over other competitors.

Gila River Casinos, which has three casinos in metropolitan Phoenix and a fourth in the planning stages, recently announced a partnership with BetMGM and the Arizona Cardinals NFL team. The Colorado River Tribes consortium of four tribes has connected with Australia-based BlueBet with market access to the BlueWater Resort and Casino near Parker, Arizona.

Other partnerships include Great Britain's BetFred with the Fort McDowell Yavapai Nation; Kindred/Unibet with the Fort Yuma Quechan Tribe; PointsBet with the Yavapai-Apache Nation; TwinSpires, associated with Churchill Downs in Kentucky, with the Tonto-Apache Tribe; and WynnBET with the San Carlos Apache Tribe. The Ak-Chin Indian Community has had a long-standing deal with Caesar Entertainment Inc.'s Harrah's brand.

Bussmann said another unknown is whether tribes that fail to win a license would consider suing the state and possibly delay the start of wagering there.

"Anytime there's more people that want access to a market than there are available licenses there's a potential opening for a lawsuit, that's always an option on the table," Bussmann said.

"Their whole goal, and they've said this from the beginning, is they want to be live by Sept. 8 in time for the start of the NFL season," he said. "They have a busy three to four weeks ahead of them to make some hard decisions that could have some delays based on those decisions because you have more applicants than licenses available."

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