

State of Arizona  
House of Representatives  
Fifty-first Legislature  
Second Regular Session  
2014

**CHAPTER 153**  
**HOUSE BILL 2508**

AN ACT

AMENDING SECTION 13-3714, ARIZONA REVISED STATUTES; TRANSFERRING TITLE 20, CHAPTER 2, ARTICLE 3.4, ARIZONA REVISED STATUTES, FOR PLACEMENT IN TITLE 20, CHAPTER 2, ARIZONA REVISED STATUTES, AS ARTICLE 3.5; AMENDING TITLE 20, CHAPTER 2, ARIZONA REVISED STATUTES, BY ADDING A NEW ARTICLE 3.4; AMENDING SECTIONS 32-1004 AND 41-624, ARIZONA REVISED STATUTES; RELATING TO INSURANCE BUSINESS; PROVIDING FOR CONDITIONAL REPEAL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 13-3714, Arizona Revised Statutes, is amended to  
3 read:

4 13-3714. Aggravated or multiple violations of insurance code:  
5 classification

6 A person who knowingly performs any act for which the person is  
7 required to be licensed under title 20, chapter 2, article 3, 3.1, 3.2, 3.3  
8 or ~~3.4~~ 3.5 to lawfully perform and the person has been previously licensed  
9 pursuant to title 20, chapter 2, article 3, 3.1, 3.2, 3.3 or ~~3.4~~ 3.5, but  
10 whose license was suspended or revoked at the time of the act or has been  
11 convicted of violating any provision of title 20, chapter 2, article 3, 3.1,  
12 3.2, 3.3 or ~~3.4~~ 3.5, and who is not licensed at the time of the act, is  
13 guilty of a class 5 felony.

14 Sec. 2. Transfer

15 Title 20, chapter 2, article 3.4, Arizona Revised Statutes, is  
16 transferred for placement in title 20, chapter 2, Arizona Revised Statutes,  
17 as article 3.5.

18 Sec. 3. Title 20, chapter 2, Arizona Revised Statutes, is amended by  
19 adding a new article 3.4, to read:

20 ARTICLE 3.4. NAVIGATORS AND CERTIFIED APPLICATION COUNSELORS

21 20-336. Definitions

22 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

23 1. "CERTIFIED APPLICATION COUNSELOR" MEANS AN INDIVIDUAL WHO IS  
24 LICENSED PURSUANT TO THIS ARTICLE AND WHO IS AUTHORIZED BY THE UNITED STATES  
25 DEPARTMENT OF HEALTH AND HUMAN SERVICES TO PERFORM THE ACTIVITIES AND DUTIES  
26 OF A CERTIFIED APPLICATION COUNSELOR AS DESCRIBED BY 45 CODE OF FEDERAL  
27 REGULATIONS SECTION 155.225.

28 2. "EXCHANGE" MEANS A HEALTH BENEFIT EXCHANGE THAT IS ESTABLISHED OR  
29 OPERATED BY THE SECRETARY OF THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN  
30 SERVICES PURSUANT TO 42 UNITED STATES CODE SECTION 18031.

31 3. "HEALTH BENEFIT PLAN":

32 (a) MEANS A HOSPITAL AND MEDICAL SERVICE CORPORATION POLICY OR  
33 CERTIFICATE, A HEALTH CARE SERVICES ORGANIZATION CONTRACT OR CERTIFICATE OF  
34 COVERAGE, AN INDIVIDUAL OR GROUP OR BLANKET DISABILITY POLICY OR CERTIFICATE  
35 OF COVERAGE, A CERTIFICATE OF INSURANCE OF A GROUP DISABILITY POLICY THAT IS  
36 NOT ISSUED IN THIS STATE, A MULTIPLE EMPLOYER WELFARE ARRANGEMENT OR ANY  
37 OTHER ARRANGEMENT UNDER WHICH HEALTH SERVICES OR HEALTH BENEFITS ARE PROVIDED  
38 TO ONE OR MORE INDIVIDUALS.

39 (b) DOES NOT INCLUDE:

40 (i) AN INSURANCE POLICY THAT IS DESIGNED, ADVERTISED AND MARKETED TO  
41 SUPPLEMENT MAJOR MEDICAL INSURANCE, WHICH INCLUDES ACCIDENT ONLY, VISION  
42 ONLY, DISABILITY INCOME ONLY, FIXED OR HOSPITAL INDEMNITY, SPECIFIED DISEASE  
43 INSURANCE, CREDIT INSURANCE OR TAFT-HARTLEY TRUSTS.

44 (ii) COVERAGE THAT IS ISSUED AS A SUPPLEMENT TO LIABILITY INSURANCE.

45 (iii) MEDICARE SUPPLEMENTAL INSURANCE.

46 (iv) WORKERS' COMPENSATION INSURANCE.

1 (v) AUTOMOBILE MEDICAL PAYMENT INSURANCE.

2 (vi) LONG-TERM CARE INSURANCE.

3 4. "ISSUER" MEANS A DISABILITY INSURER, GROUP DISABILITY INSURER,  
4 BLANKET DISABILITY INSURER, HEALTH CARE SERVICES ORGANIZATION, HOSPITAL  
5 SERVICE CORPORATION, MEDICAL SERVICE CORPORATION, DENTAL SERVICE CORPORATION,  
6 PREPAID DENTAL PLAN ORGANIZATION OR HOSPITAL, MEDICAL, DENTAL AND OPTOMETRIC  
7 SERVICE CORPORATION.

8 5. "NAVIGATOR" MEANS A PERSON WHO IS LICENSED PURSUANT TO THIS ARTICLE  
9 AND WHO IS CERTIFIED OR COMPENSATED BY THE UNITED STATES DEPARTMENT OF HEALTH  
10 AND HUMAN SERVICES TO PERFORM THE ACTIVITIES AND DUTIES DESCRIBED BY 42  
11 UNITED STATES CODE SECTION 18031 AND 45 CODE OF FEDERAL REGULATIONS SECTION  
12 155.215.

13 20-336.01. Scope and application of article

14 A. BEGINNING OCTOBER 1, 2014, THIS ARTICLE APPLIES TO A PERSON WHO  
15 ACTS OR CLAIMS TO BE A NAVIGATOR OR CERTIFIED APPLICATION COUNSELOR.

16 B. A PERSON WHO HOLDS A LICENSE AS AN ACCIDENT AND HEALTH OR SICKNESS  
17 INSURANCE PRODUCER PURSUANT TO ARTICLE 3 OF THIS CHAPTER IS EXEMPT FROM THE  
18 REQUIREMENTS OF THIS ARTICLE.

19 C. A PERSON WHO IS WORKING AS A NAVIGATOR OR CERTIFIED APPLICATION  
20 COUNSELOR ONLY ON TRIBAL LANDS IN THIS STATE AND WHO AS A CONDITION OF  
21 EMPLOYMENT WAS REQUIRED TO COMPLETE A SECURITY BACKGROUND INVESTIGATION FOR  
22 FEDERAL SERVICE, INCLUDING A CRIMINAL HISTORY RECORDS CHECK AND  
23 FINGERPRINTING, IS EXEMPT FROM THE REQUIREMENTS OF THIS ARTICLE.

24 20-336.02. License required

25 A PERSON MAY NOT ACT AS OR CLAIM TO BE A NAVIGATOR OR CERTIFIED  
26 APPLICATION COUNSELOR UNLESS THE PERSON IS LICENSED PURSUANT TO THIS ARTICLE.

27 20-336.03. Navigators: licensing

28 A. A PERSON WHO APPLIES FOR A NAVIGATOR LICENSE SHALL APPLY TO THE  
29 DIRECTOR ON A FORM PRESCRIBED BY THE DIRECTOR AND SHALL DECLARE UNDER PENALTY  
30 OF LICENSE DENIAL, SUSPENSION OR REVOCATION THAT THE STATEMENTS MADE IN THE  
31 APPLICATION ARE TRUE, CORRECT AND COMPLETE TO THE BEST OF THE KNOWLEDGE AND  
32 BELIEF OF THE APPLICANT OR THE APPLICANT'S DULY AUTHORIZED REPRESENTATIVE.  
33 THE APPLICANT SHALL PROVIDE INFORMATION CONCERNING THE APPLICANT'S IDENTITY,  
34 PERSONAL HISTORY, BUSINESS RECORD AND EXPERIENCE IN INSURANCE AND ANY OTHER  
35 PERTINENT FACT THE DIRECTOR REQUIRES.

36 B. BEFORE THE DIRECTOR APPROVES AN INDIVIDUAL'S NAVIGATOR APPLICATION,  
37 THE DIRECTOR SHALL FIND THAT THE INDIVIDUAL:

38 1. IS AT LEAST EIGHTEEN YEARS OF AGE.

39 2. HAS NOT COMMITTED ANY ACT THAT IS A GROUND FOR LICENSE DENIAL,  
40 SUSPENSION OR REVOCATION AS PRESCRIBED IN SECTION 20-295 AND HAS NOT BEEN  
41 CONVICTED OF A MISDEMEANOR INVOLVING FRAUD OR DISHONESTY.

42 3. HAS PROVIDED EVIDENCE OF NAVIGATOR CERTIFICATION FROM THE UNITED  
43 STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES.

44 4. HAS SUBMITTED A FULL SET OF FINGERPRINTS TO THE DIRECTOR AND  
45 SUCCESSFULLY COMPLETED A CRIMINAL HISTORY RECORDS CHECK IN A MANNER  
46 PRESCRIBED BY THE DIRECTOR.

1           5. HAS IDENTIFIED THE ENTITY WITH WHICH IT IS AFFILIATED AND  
2 SUPERVISED.

3           C. A BUSINESS ENTITY THAT ACTS AS A NAVIGATOR, SUPERVISES THE  
4 ACTIVITIES OF INDIVIDUAL NAVIGATORS OR RECEIVES FUNDING TO PERFORM NAVIGATOR  
5 ACTIVITIES SHALL OBTAIN A NAVIGATOR ENTITY LICENSE. BEFORE THE DIRECTOR  
6 APPROVES A BUSINESS ENTITY'S NAVIGATOR APPLICATION, THE DIRECTOR SHALL FIND  
7 THAT THE BUSINESS ENTITY:

8           1. HAS NOT COMMITTED ANY ACT THAT IS A GROUND FOR LICENSE DENIAL,  
9 SUSPENSION OR REVOCATION AS PRESCRIBED IN SECTION 20-295 AND HAS NOT BEEN  
10 CONVICTED OF A MISDEMEANOR INVOLVING FRAUD OR DISHONESTY.

11           2. HAS DESIGNATED AN INDIVIDUALLY LICENSED NAVIGATOR WHO IS  
12 RESPONSIBLE FOR THE BUSINESS ENTITY'S COMPLIANCE WITH THE INSURANCE LAWS OF  
13 THIS STATE.

14           D. A BUSINESS ENTITY'S NAVIGATOR APPLICATION SHALL ALSO INCLUDE THE  
15 NAMES OF ALL MEMBERS, OFFICERS AND DIRECTORS OF THE BUSINESS ENTITY. FOR ANY  
16 INDIVIDUAL WHO IS IDENTIFIED PURSUANT TO THIS SUBSECTION, THE DIRECTOR MAY  
17 REQUIRE THE APPLICANT TO PROVIDE THE INFORMATION REQUIRED FOR A LICENSE AS AN  
18 INDIVIDUAL.

19           E. THE DEPARTMENT OF INSURANCE SHALL SUBMIT THE FINGERPRINTS RECEIVED  
20 PURSUANT TO SUBSECTION B OF THIS SECTION TO THE DEPARTMENT OF PUBLIC SAFETY  
21 FOR THE PURPOSE OF OBTAINING A STATE AND FEDERAL CRIMINAL RECORDS CHECK  
22 PURSUANT TO SECTION 41-1750 AND PUBLIC LAW 92-544. THE DEPARTMENT OF PUBLIC  
23 SAFETY MAY EXCHANGE THE FINGERPRINT DATA IT RECEIVES PURSUANT TO THIS  
24 SUBSECTION WITH THE FEDERAL BUREAU OF INVESTIGATION.

25           F. UNLESS THE PERSON IS LICENSED FOR THAT LINE OF AUTHORITY PURSUANT  
26 TO THIS TITLE, A NAVIGATOR MAY NOT:

27           1. SELL, SOLICIT OR NEGOTIATE INSURANCE IN THIS STATE FOR ANY CLASS OR  
28 CLASSES OF INSURANCE.

29           2. RECOMMEND, ENDORSE OR OFFER OPINIONS ABOUT THE BENEFITS, TERMS AND  
30 FEATURES OF A PARTICULAR HEALTH BENEFIT PLAN OR OFFER AN OPINION ABOUT WHICH  
31 HEALTH BENEFIT PLAN IS BETTER OR WORSE FOR A PARTICULAR INDIVIDUAL OR  
32 EMPLOYER.

33           3. PROVIDE ANY INFORMATION OR SERVICES RELATED TO A HEALTH BENEFIT  
34 PLAN OR ANOTHER PRODUCT NOT OFFERED IN THE EXCHANGE.

35           4. ENGAGE IN ANY UNFAIR METHOD OF COMPETITION OR ANY FRAUDULENT,  
36 DECEPTIVE OR DISHONEST ACT OR PRACTICE.

37           G. THE EXPIRATION DATE FOR A NAVIGATOR LICENSE ISSUED TO A PERSON WHO  
38 ALSO HOLDS A LICENSE PURSUANT TO THIS TITLE IS THE SAME AS THE EXPIRATION  
39 DATE FOR THE INSURANCE PRODUCER LICENSE.

40           20-336.04. Certified application counselors; licensing

41           A. AN INDIVIDUAL WHO APPLIES FOR A CERTIFIED APPLICATION COUNSELOR  
42 LICENSE SHALL APPLY TO THE DIRECTOR ON A FORM PRESCRIBED BY THE DIRECTOR AND  
43 SHALL DECLARE UNDER PENALTY OF LICENSE DENIAL, SUSPENSION OR REVOCATION THAT  
44 THE STATEMENTS MADE IN THE APPLICATION ARE TRUE, CORRECT AND COMPLETE TO THE  
45 BEST OF THE KNOWLEDGE AND BELIEF OF THE APPLICANT OR THE APPLICANT'S DULY  
46 AUTHORIZED REPRESENTATIVE. THE APPLICANT SHALL PROVIDE INFORMATION CONCERNING

1 THE APPLICANT'S IDENTITY, PERSONAL HISTORY, BUSINESS RECORD AND EXPERIENCE IN  
2 INSURANCE AND ANY OTHER PERTINENT FACT THE DIRECTOR REQUIRES.

3 B. BEFORE THE DIRECTOR APPROVES AN INDIVIDUAL'S CERTIFIED APPLICATION  
4 COUNSELOR APPLICATION, THE DIRECTOR SHALL FIND THAT THE INDIVIDUAL:

5 1. IS AT LEAST EIGHTEEN YEARS OF AGE.

6 2. HAS NOT COMMITTED ANY ACT THAT IS A GROUND FOR LICENSE DENIAL,  
7 SUSPENSION OR REVOCATION AS PRESCRIBED IN SECTION 20-295 AND HAS NOT BEEN  
8 CONVICTED OF A MISDEMEANOR INVOLVING FRAUD OR DISHONESTY.

9 3. HAS MET THE STANDARDS AND PROVIDED EVIDENCE OF CERTIFICATION AS  
10 PRESCRIBED BY 45 CODE OF FEDERAL REGULATIONS SECTION 155.225.

11 4. HAS SUBMITTED A FULL SET OF FINGERPRINTS TO THE DIRECTOR AND  
12 SUCCESSFULLY COMPLETED A CRIMINAL HISTORY RECORDS CHECK IN A MANNER  
13 PRESCRIBED BY THE DIRECTOR.

14 5. HAS IDENTIFIED THE ENTITY WITH WHICH THE INDIVIDUAL IS AFFILIATED  
15 AND SUPERVISED.

16 C. THE DEPARTMENT OF INSURANCE SHALL SUBMIT THE FINGERPRINTS RECEIVED  
17 PURSUANT TO SUBSECTION B OF THIS SECTION TO THE DEPARTMENT OF PUBLIC SAFETY  
18 FOR THE PURPOSE OF OBTAINING A STATE AND FEDERAL CRIMINAL RECORDS CHECK  
19 PURSUANT TO SECTION 41-1750 AND PUBLIC LAW 92-544. THE DEPARTMENT OF PUBLIC  
20 SAFETY MAY EXCHANGE THE FINGERPRINT DATA IT RECEIVES PURSUANT TO THIS  
21 SUBSECTION WITH THE FEDERAL BUREAU OF INVESTIGATION.

22 D. UNLESS THE PERSON IS LICENSED FOR THAT LINE OF AUTHORITY PURSUANT  
23 TO THIS TITLE, A CERTIFIED APPLICATION COUNSELOR MAY NOT:

24 1. SELL, SOLICIT OR NEGOTIATE INSURANCE IN THIS STATE FOR ANY CLASS OR  
25 CLASSES OF INSURANCE.

26 2. RECOMMEND, ENDORSE OR OFFER OPINIONS ABOUT THE BENEFITS, TERMS AND  
27 FEATURES OF A PARTICULAR HEALTH BENEFIT PLAN OR OFFER AN OPINION ABOUT WHICH  
28 HEALTH BENEFIT PLAN IS BETTER OR WORSE FOR A PARTICULAR INDIVIDUAL OR  
29 EMPLOYER.

30 3. PROVIDE ANY INFORMATION OR SERVICES RELATED TO A HEALTH BENEFIT  
31 PLAN OR ANOTHER PRODUCT NOT OFFERED IN THE EXCHANGE.

32 4. ENGAGE IN ANY UNFAIR METHOD OF COMPETITION OR ANY FRAUDULENT,  
33 DECEPTIVE OR DISHONEST ACT OR PRACTICE.

34 E. THE EXPIRATION DATE FOR A CERTIFIED APPLICATION COUNSELOR LICENSE  
35 ISSUED TO A PERSON WHO ALSO HOLDS A LICENSE PURSUANT TO THIS TITLE IS THE  
36 SAME AS THE EXPIRATION DATE FOR THE INSURANCE PRODUCER LICENSE.

37 20-336.05. Enforcement; rules

38 A. THE DIRECTOR MAY EXAMINE AND INVESTIGATE THE BUSINESS AFFAIRS AND  
39 RECORDS OF ANY NAVIGATOR OR CERTIFIED APPLICATION COUNSELOR TO DETERMINE  
40 WHETHER THE INDIVIDUAL OR ENTITY HAS ENGAGED OR IS ENGAGING IN ANY VIOLATION  
41 OF THIS TITLE.

42 B. THE DIRECTOR MAY ADOPT RULES PURSUANT TO TITLE 41, CHAPTER 6 TO  
43 CARRY OUT THIS ARTICLE.

44 20-336.06. Application of other laws

45 TO THE EXTENT PERMITTED BY THIS ARTICLE, SECTION 20-281, SECTION  
46 20-286, SUBSECTIONS B, C AND D, SECTIONS 20-289, 20-289.01, 20-292, 20-295,

1 20-296, 20-297, 20-299, 20-301, 20-302 AND 20-452, ARTICLE 6 OF THIS CHAPTER  
2 AND CHAPTER 11, ARTICLE 1 OF THIS TITLE APPLY TO NAVIGATORS AND CERTIFIED  
3 APPLICATION COUNSELORS.

4 Sec. 4. Section 32-1004, Arizona Revised Statutes, is amended to read:  
5 32-1004. Exemptions

6 A. The following persons are exempt from the provisions of this  
7 chapter when engaged in the regular course of their respective businesses but  
8 shall comply with the requirements of section 32-1051, paragraphs 2 through 7  
9 and section 32-1055, subsection C and subsection D, paragraphs 1, 2, 3 and 5:

10 1. Attorneys-at-law.

11 2. A person regularly employed on a regular wage or salary in the  
12 capacity of credit person or a similar capacity, except as an independent  
13 contractor.

14 3. Banks, including trust departments of a bank, fiduciaries and  
15 financing and lending institutions.

16 4. Common carriers.

17 5. Title insurers, title insurance agents and abstract companies while  
18 doing an escrow business.

19 6. Licensed real estate brokers.

20 7. Employees of licensees under this chapter.

21 8. Substation payment offices employed by or serving as independent  
22 contractors or public utilities.

23 9. A person licensed pursuant to title 6, chapter 7.

24 10. A person licensed pursuant to title 6, chapter 9.

25 11. A person licensed pursuant to title 6, chapter 14, article 1.

26 12. A participant in a finance transaction in which a lender receives  
27 the right to collect commercial claims due the borrower by assignment, by  
28 purchase or by the taking of a security interest in those commercial claims.

29 13. An accounting, bookkeeping or billing service provider that  
30 complies with all of the following:

31 (a) Does not accept accounts that are contractually past due at the  
32 time of receipt.

33 (b) Does not initiate any contact with individual debtors except for  
34 the initial written notice of the amount owing and one written follow-up  
35 notice.

36 (c) Does not give or send to any debtor a written communication that  
37 requests or demands payment.

38 (d) Does not receive or have access to monies paid by debtors or their  
39 insurers.

40 (e) All communications with the debtors are done in the name of the  
41 creditor.

42 14. A person collecting claims owed, due or asserted to be owed or due  
43 to a financial institution the deposits of which are insured by an agency of  
44 the federal government, or any affiliate of the financial institution, if the  
45 person is related by common ownership or affiliated by corporate control with

1 the financial institution and collects the claims only for the financial  
2 institution or any affiliate of the financial institution.

3 15. A person who is licensed pursuant to title 20, chapter 2, article  
4 3, 3.1, 3.2, 3.3 or ~~3.4~~ 3.5 and who is authorized to collect premiums under  
5 an insurance policy financed by a premium finance agreement as defined in  
6 section 6-1401.

7 B. For the purposes of subsection A, paragraph 12 of this section:

8 1. A transaction shall not be deemed a finance transaction if the  
9 primary purpose is to facilitate the collection of claims.

10 2. ~~"Commercial claim"~~ does not include an account arising from the  
11 purchase of a service or product intended for personal, family or household  
12 use.

13 C. For the purposes of subsection A, paragraph 13, subdivision (b) of  
14 this section, the initial written notice and follow-up notice may contain  
15 only the following information:

16 1. The name, address, ~~AND~~ telephone and telefacsimile numbers of the  
17 creditor.

18 2. The amount due and an itemization of that amount.

19 3. The date payment is due.

20 4. The address or place where payment is to be made.

21 5. If the payment is past due, that payment is past due.

22 D. For a person who is exempt under subsection A, paragraph 14 of this  
23 section, the superintendent shall investigate complaints of residents of this  
24 state relating to any violations of section 32-1051, paragraphs 2 through 7  
25 or section 32-1055, subsection C or subsection D, paragraph 1, 2, 3 or 5 and  
26 may examine the books, accounts, claims and files of a person that relate to  
27 the complaint. A person who is exempt and who violates the provisions of  
28 section 32-1051, paragraphs 2 through 7 or section 32-1055, subsection C or  
29 subsection D, paragraph 1, 2, 3 or 5 is subject to the provisions of sections  
30 6-132, 6-136 and 6-137.

31 Sec. 5. Section 41-624, Arizona Revised Statutes, is amended to read:

32 41-624. Definitions; commissions on sales of insurance to the  
33 state; violation; classification

34 A. In this section, unless the context otherwise requires:

35 1. "Bidder" or "offeror" means a person who has submitted a bid or  
36 proposal for the sale of insurance to the state in response to a request for  
37 a proposal from the department of administration.

38 2. "Commissions" means any contingent commission, excess profits  
39 commission or other commission that may be based ~~upon~~ ON losses or experience  
40 or other compensation ~~which~~ THAT a successful contractor for the sale of  
41 insurance to the state may be eligible to receive from insurance carriers or  
42 underwriters.

43 3. "Solicitation" means all documents whether attached or incorporated  
44 by reference ~~which~~ THAT are utilized for soliciting bids or proposals.

1 B. Only a contractor or persons who have performed actual services for  
2 a contractor in connection with a bid shall be eligible to receive directly  
3 or indirectly any commissions.

4 C. A contractor may pay commissions directly or indirectly only to  
5 persons who have performed actual services for the contractor in connection  
6 with the solicitation.

7 D. Any contractor who pays commissions in violation of subsection C of  
8 this section or any person who receives commissions in violation of  
9 subsection B of this section shall be subject to the following penalties:

10 1. The contractor or the person who receives commissions, or both,  
11 shall be guilty of a class 2 misdemeanor.

12 2. The contractor or the person who receives the commissions, or both,  
13 shall be liable under section 20-295 for suspension, revocation or denial of  
14 renewal of any licenses issued under title 20, chapter 2, article 3, 3.1,  
15 3.2, 3.3 or ~~3.4~~ 3.5.

16 3. The contractor and the person who receives commissions shall be  
17 jointly and severally liable to the state for the amount of the commissions  
18 paid in violation of subsection B or C of this section.

19 4. The contractor and the person who receives the commissions shall be  
20 jointly and severally liable to competing bidders or offerors under the same  
21 solicitation for the amount of the commissions paid in violation of  
22 subsection B or C of this section as well as for reasonable ~~attorney's~~  
23 **ATTORNEY** fees of the competing bidders or offerors in recovering the  
24 penalty. Where there is more than one competing bidder or offeror, the  
25 contractor and the person who receives commissions shall be subject only to  
26 one liability under this subsection and the competitors who have joined in or  
27 intervened before judgment in the first action under this subsection to  
28 proceed to final judgment shall be entitled to equal shares in the penalty  
29 recovered.

30 Sec. 6. Criminal history records check; attestation

31 A navigator or a certified application counselor, as defined in section  
32 20-336, Arizona Revised Statutes, as added by this act, who was required to  
33 undergo a criminal history records check as a condition of employment as a  
34 navigator or a certified application counselor on or after August 1, 2010 and  
35 before the effective date of this act is not required to complete a criminal  
36 history records check pursuant to title 20, chapter 2, article 3.4, Arizona  
37 Revised Statutes, as added by this act, if the navigator or certified  
38 application counselor and the person's employer attest that the person passed  
39 the criminal history records check.

40 Sec. 7. Conditional repeal; notice

41 A. Title 20, chapter 2, article 3.4, Arizona Revised Statutes, as  
42 added by this act, is repealed if, on or before January 1, 2024, 42 United  
43 States Code section 18031 relating to health benefit exchanges is declared  
44 unconstitutional by the United State supreme court or is repealed by the  
45 United States congress.

H.B. 2508

1           B. The director of the department of insurance shall notify in writing  
2 the director of the Arizona legislative council of the date on which the  
3 condition is met or if the condition is not met.

APPROVED BY THE GOVERNOR APRIL 22, 2014.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 23, 2014.