

REFERENCE TITLE: call center relocation; notice; penalty

State of Arizona  
Senate  
Fifty-fourth Legislature  
Second Regular Session  
2020

## **SB 1254**

Introduced by  
Senators Mendez: Dalessandro, Gonzales, Quezada, Rios; Representative  
Salman

AN ACT

AMENDING TITLE 44, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 38;  
RELATING TO BUSINESS RELOCATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 44, Arizona Revised Statutes, is amended by adding  
3 chapter 38, to read:

4 CHAPTER 38

5 CALL CENTER RELOCATION

6 ARTICLE 1. GENERAL PROVISIONS

7 44-7921. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "AGENCY" MEANS A DEPARTMENT OR AGENCY OF THE EXECUTIVE BRANCH OF  
10 STATE GOVERNMENT.

11 2. "EMPLOYER" MEANS A BUSINESS ENTITY THAT EMPLOYS EITHER OF THE  
12 FOLLOWING FOR THE PURPOSE OF CUSTOMER SERVICE OR BACK OFFICE OPERATIONS:

13 (a) FIFTY OR MORE EMPLOYEES, EXCLUDING PART-TIME EMPLOYEES.

14 (b) FIFTY OR MORE EMPLOYEES WHO IN THE AGGREGATE WORK AT LEAST ONE  
15 THOUSAND FIVE HUNDRED HOURS PER WEEK, NOT INCLUDING OVERTIME HOURS.

16 3. "PART-TIME EMPLOYEE" MEANS AN EMPLOYEE WHO IS EMPLOYED FOR AN  
17 AVERAGE OF FEWER THAN TWENTY HOURS PER WEEK OR WHO HAS BEEN EMPLOYED FOR  
18 FEWER THAN SIX OF THE TWELVE MONTHS PRECEDING THE DATE ON WHICH NOTICE IS  
19 REQUIRED.

20 44-7922. Call center relocation; notification; civil penalty

21 A. AN EMPLOYER THAT INTENDS TO RELOCATE A CALL CENTER FROM THIS  
22 STATE TO ANOTHER STATE OR TO A FOREIGN COUNTRY SHALL NOTIFY THE DIRECTOR  
23 OF THE DEPARTMENT OF ECONOMIC SECURITY OF THAT INTENTION AT LEAST ONE  
24 HUNDRED TWENTY DAYS BEFORE THE RELOCATION. FOR THE PURPOSES OF THIS  
25 SUBSECTION, "CALL CENTER" INCLUDES A CALL CENTER OR ONE OR MORE FACILITIES  
26 OR OPERATING UNITS WITHIN A CALL CENTER THAT COMPRISE AT LEAST THIRTY  
27 PERCENT OF THE CALL CENTER'S OR OPERATING UNIT'S TOTAL VOLUME WHEN  
28 MEASURED AGAINST THE PREVIOUS TWELVE MONTH AVERAGE CALL VOLUME OF  
29 OPERATIONS OR SUBSTANTIALLY SIMILAR OPERATIONS.

30 B. AN EMPLOYER THAT VIOLATES THIS SECTION IS SUBJECT TO A CIVIL  
31 PENALTY OF NOT TO EXCEED \$10,000 FOR EACH DAY OF THE VIOLATION, EXCEPT  
32 THAT THE DIRECTOR OF THE INDUSTRIAL COMMISSION OF ARIZONA MAY REDUCE THE  
33 AMOUNT FOR JUST CAUSE.

34 44-7923. Semiannual employer list; distribution

35 A. THE DIRECTOR OF THE DEPARTMENT OF ECONOMIC SECURITY SHALL  
36 COMPILE A SEMIANNUAL LIST OF ALL EMPLOYERS THAT RELOCATE A CALL CENTER  
37 FROM THIS STATE TO ANOTHER STATE OR TO A FOREIGN COUNTRY. THE LIST SHALL  
38 INCLUDE THE NAME OF THE EMPLOYER AND THE DATE ON WHICH THE CALL CENTER WAS  
39 RELOCATED. FOR THE PURPOSES OF THIS SUBSECTION, "CALL CENTER" INCLUDES A  
40 CALL CENTER OR ONE OR MORE FACILITIES OR OPERATING UNITS WITHIN A CALL  
41 CENTER THAT COMPRISE AT LEAST FORTY PERCENT OF THE CALL CENTER'S TOTAL  
42 VOLUME OF OPERATIONS.

43 B. THE DIRECTOR OF THE DEPARTMENT OF ECONOMIC SECURITY SHALL  
44 DISTRIBUTE THE LIST REQUIRED IN THIS SECTION TO ALL AGENCIES.

1           44-7924. Ineligibility for grants and loans; remittance of  
2                           monies; exceptions

3           A. EXCEPT AS PROVIDED IN SUBSECTION B OF THIS SECTION AND  
4 NOTWITHSTANDING ANY OTHER LAW, AN EMPLOYER THAT APPEARS ON THE LIST  
5 PRESCRIBED BY SECTION 44-7923:

6               1. IS NOT ELIGIBLE FOR ANY DIRECT OR INDIRECT STATE GRANTS OR STATE  
7 GUARANTEED LOANS FOR FIVE YEARS AFTER THE DATE THAT THE LIST IS PUBLISHED.

8               2. SHALL REMIT THE UNAMORTIZED VALUE OF ANY GRANT, GUARANTEED  
9 LOANS, TAX BENEFITS OR OTHER GOVERNMENTAL SUPPORT THE EMPLOYER HAS  
10 PREVIOUSLY RECEIVED TO THIS STATE.

11              3. SHALL PAY THE STATE ALL TAX CREDITS AND SUBSIDIES THAT THE  
12 EMPLOYER HAS RECEIVED.

13           B. THE ARIZONA COMMERCE AUTHORITY, IN CONSULTATION WITH THE  
14 APPROPRIATE AGENCY PROVIDING A LOAN OR GRANT, MAY WAIVE THE INELIGIBILITY  
15 OR REMITTANCE REQUIREMENT PRESCRIBED IN SUBSECTION A OF THIS SECTION IF  
16 THE EMPLOYER APPLYING FOR THE LOAN OR GRANT DEMONSTRATES THAT A LACK OF  
17 THE LOAN OR GRANT WOULD DO ANY OF THE FOLLOWING:

18               1. RESULT IN SUBSTANTIAL JOB LOSS IN THIS STATE.

19               2. HARM THE ENVIRONMENT.

20               3. RESULT IN A SIGNIFICANT ECONOMIC IMPACT TO THIS STATE.

21           44-7925. State business call centers; contractor requirements

22           A. THE DIRECTOR OF EACH AGENCY SHALL ENSURE THAT ALL CALL CENTERS  
23 RELATED TO STATE BUSINESS AND ALL CUSTOMER SERVICE WORK IS PERFORMED BY  
24 STATE CONTRACTORS OR THEIR AGENTS OR SUBCONTRACTORS ENTIRELY WITHIN THIS  
25 STATE.

26           B. A STATE CONTRACTOR THAT PERFORMS CALL CENTER OR CUSTOMER SERVICE  
27 WORK MAY NOT HIRE AN INDIVIDUAL TO PERFORM THAT WORK AT A LOCATION OUTSIDE  
28 OF THIS STATE.

29           C. STATE CONTRACTORS THAT CURRENTLY PERFORM THE WORK OUTSIDE OF  
30 THIS STATE SHALL COMPLY WITH THIS SECTION BY NOVEMBER 1, 2021 EXCEPT THAT  
31 BEGINNING NOVEMBER 1, 2020 ALL NEW CUSTOMER SERVICE EMPLOYEES HIRED BY A  
32 CONTRACTOR TO PERFORM WORK ON THE CONTRACTS SHALL IMMEDIATELY BE EMPLOYED  
33 WITHIN THIS STATE.

34           44-7926. State benefits for workers

35           THIS CHAPTER DOES NOT ALLOW THE WITHHOLDING OR DENIAL OF PAYMENTS,  
36 COMPENSATION OR BENEFITS UNDER ANY OTHER LAW TO WORKERS WHO ARE EMPLOYED  
37 BY EMPLOYERS THAT RELOCATE TO ANOTHER STATE OR TO A FOREIGN COUNTRY.

38           Sec. 2. Effective date

39           This act is effective from and after October 31, 2020.

40           Sec. 3. Short title

41           This act may be cited as the "Consumer Protection Call Center Act of  
42 2020".