

COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2005
(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Title 18, Arizona Revised Statutes, is amended by adding
3 chapter 7, to read:

4 CHAPTER 7

5 DIGITAL APPLICATION DISTRIBUTION PLATFORMS

6 ARTICLE 1. GENERAL PROVISIONS

7 18-701. Digital application distribution platforms;
8 prohibitions; exception; attorney general;
9 definitions

10 A. A PROVIDER OF A DIGITAL APPLICATION DISTRIBUTION PLATFORM FOR
11 WHICH CUMULATIVE DOWNLOADS OF SOFTWARE APPLICATIONS FROM THE DIGITAL
12 APPLICATION DISTRIBUTION PLATFORM TO ARIZONA USERS EXCEED ONE MILLION
13 DOWNLOADS IN THE PREVIOUS OR CURRENT CALENDAR YEAR MAY NOT DO ANY OF THE
14 FOLLOWING:

15 1. REQUIRE A DEVELOPER THAT IS DOMICILED IN THIS STATE TO USE A
16 PARTICULAR IN-APPLICATION PAYMENT SYSTEM AS THE EXCLUSIVE MODE OF ACCEPTING
17 PAYMENTS FROM A USER TO DOWNLOAD A SOFTWARE APPLICATION OR PURCHASE A
18 DIGITAL OR PHYSICAL PRODUCT OR SERVICE THROUGH A SOFTWARE APPLICATION.

19 2. REQUIRE EXCLUSIVE USE OF A PARTICULAR IN-APPLICATION PAYMENT
20 SYSTEM AS THE EXCLUSIVE MODE OF ACCEPTING PAYMENTS FROM ARIZONA USERS TO
21 DOWNLOAD A SOFTWARE APPLICATION OR PURCHASE A DIGITAL OR PHYSICAL PRODUCT
22 OR SERVICE THROUGH A SOFTWARE APPLICATION.

1 3. RETALIATE AGAINST A DEVELOPER THAT IS DOMICILED IN THIS STATE OR
2 AN ARIZONA USER FOR USING AN IN-APPLICATION PAYMENT SYSTEM OR DIGITAL
3 APPLICATION DISTRIBUTION PLATFORM THAT IS NOT OWNED BY, OPERATED BY OR
4 AFFILIATED WITH THE PROVIDER OR RETALIATE AGAINST A DEVELOPER FOR THAT USE
5 TO DISTRIBUTE APPLICATIONS TO OR ACCEPT PAYMENTS FROM ARIZONA USERS.

6 B. AN AGREEMENT THAT VIOLATES THIS SECTION IS UNENFORCEABLE AND IS
7 DEEMED A VIOLATION OF THIS SECTION.

8 C. THIS SECTION DOES NOT APPLY WITH RESPECT TO SPECIAL-PURPOSE
9 DIGITAL APPLICATION DISTRIBUTION PLATFORMS.

10 D. THE ATTORNEY GENERAL SHALL RECEIVE COMPLAINTS AND INVESTIGATE
11 VIOLATIONS OF THIS SECTION AND MAY BRING AN ACTION IN ANY COURT OF
12 COMPETENT JURISDICTION TO OBTAIN LEGAL OR EQUITABLE RELIEF ON BEHALF OF A
13 PERSON AGGRIEVED BY THE VIOLATION.

14 E. FOR THE PURPOSES OF THIS SECTION:

15 1. "ARIZONA USER" MEANS A USER WHOSE MOST RECENT ADDRESS SHOWN IN
16 THE RECORDS OF A PROVIDER IS LOCATED WITHIN THIS STATE.

17 2. "DEVELOPER" MEANS A CREATOR OF SOFTWARE APPLICATIONS THAT ARE
18 MADE AVAILABLE FOR DOWNLOAD BY USERS THROUGH A DIGITAL APPLICATION
19 DISTRIBUTION PLATFORM OR OTHER DIGITAL DISTRIBUTION PLATFORM.

20 3. "DIGITAL APPLICATION DISTRIBUTION PLATFORM":

21 (a) MEANS A DIGITAL DISTRIBUTION PLATFORM FOR APPLICATIONS AND
22 SERVICES THAT ARE PROVIDED TO USERS ON GENERAL-PURPOSE HARDWARE, INCLUDING
23 MOBILE PHONES, SMARTPHONES, TABLETS, PERSONAL COMPUTERS AND OTHER
24 GENERAL-PURPOSE DEVICES THAT ARE CONNECTED TO THE INTERNET.

25 (b) INCLUDES A DIGITAL DISTRIBUTION PLATFORM THAT IS PROVIDED OR
26 USED FOR ONLY CERTAIN TYPES OF DEVICES, SUCH AS CERTAIN GRADES OF COMPUTING
27 DEVICE, DEVICES THAT ARE MADE BY ONLY A PARTICULAR MANUFACTURER OR DEVICES
28 THAT RUN A PARTICULAR OPERATING SYSTEM.

29 4. "DOMICILED IN THIS STATE" MEANS A PERSON THAT CONDUCTS IN THIS
30 STATE THE SUBSTANTIAL PORTION OF WORK TO CREATE OR TO MAINTAIN DIGITAL
31 APPLICATIONS.

1 5. "IN-APPLICATION PAYMENT SYSTEM" MEANS AN APPLICATION, SERVICE OR
2 USER INTERFACE THAT IS USED TO PROCESS PAYMENTS FROM USERS TO DEVELOPERS
3 FOR SOFTWARE APPLICATIONS AND DIGITAL AND PHYSICAL PRODUCTS AND SERVICES
4 DISTRIBUTED THROUGH SOFTWARE APPLICATIONS.

5 6. "PROVIDER" MEANS A PERSON THAT OWNS, OPERATES, IMPLEMENTS OR
6 MAINTAINS A DIGITAL APPLICATION DISTRIBUTION PLATFORM OR AN IN-APPLICATION
7 PAYMENT SYSTEM.

8 7. "SPECIAL-PURPOSE DIGITAL APPLICATION DISTRIBUTION PLATFORM" MEANS
9 A DIGITAL DISTRIBUTION PLATFORM FOR SINGLE OR SPECIALIZED CATEGORIES OF
10 APPLICATIONS, SOFTWARE AND SERVICES THAT ARE PROVIDED TO USERS ON HARDWARE
11 INTENDED PRIMARILY FOR SPECIFIC PURPOSES, INCLUDING GAMING CONSOLES, MUSIC
12 PLAYERS AND OTHER SPECIAL-PURPOSE DEVICES THAT ARE CONNECTED TO THE
13 INTERNET."

14 Amend title to conform

And, as so amended, it do pass

REGINA E. COBB
CHAIRMAN

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