

House Engrossed

~~education; federal funds; technical correction~~
(now: prohibitions; digital application distribution platforms)

State of Arizona
House of Representatives
Fifty-fifth Legislature
First Regular Session
2021

HOUSE BILL 2005

AN ACT

AMENDING TITLE 18, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 7; RELATING
TO DIGITAL APPLICATION DISTRIBUTION PLATFORMS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

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
17 ACCEPTING PAYMENTS FROM A USER TO DOWNLOAD A SOFTWARE APPLICATION OR
18 PURCHASE A DIGITAL OR PHYSICAL PRODUCT OR SERVICE THROUGH A SOFTWARE
19 APPLICATION.

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

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

29 B. THIS SECTION DOES NOT APPLY WITH RESPECT TO SPECIAL-PURPOSE
30 DIGITAL APPLICATION DISTRIBUTION PLATFORMS.

31 C. THE ATTORNEY GENERAL MAY RECEIVE COMPLAINTS AND INVESTIGATE
32 VIOLATIONS OF THIS SECTION AND MAY BRING AN ACTION IN ANY COURT OF
33 COMPETENT JURISDICTION TO OBTAIN LEGAL OR EQUITABLE RELIEF ON BEHALF OF A
34 PERSON AGGRIEVED BY THE VIOLATION.

35 D. ANY PERSON AGGRIEVED BY A VIOLATION OF THIS SECTION MAY COMMENCE
36 A CIVIL ACTION ON THE PERSON'S OWN BEHALF IN ANY COURT OF COMPETENT
37 JURISDICTION TO OBTAIN LEGAL OR EQUITABLE RELIEF, INCLUDING REASONABLE
38 ATTORNEY FEES AND COSTS.

39 E. AN ACTION MAY NOT BE COMMENCED UNDER SUBSECTION D OF THIS
40 SECTION UNTIL SIXTY DAYS AFTER THE PLAINTIFF HAS GIVEN NOTICE OF THE
41 ALLEGED VIOLATION TO THE ATTORNEY GENERAL. AN ACTION MAY NOT BE COMMENCED
42 UNDER SUBSECTION D OF THIS SECTION IF THE ATTORNEY GENERAL HAS COMMENCED
43 AND IS DILIGENTLY PROSECUTING AN ACTION IN COURT ARISING FROM THE SAME
44 ALLEGED VIOLATION.

1 F. FOR THE PURPOSES OF THIS SECTION:
2 1. "ARIZONA USER" MEANS A USER WHOSE MOST RECENT ADDRESS SHOWN IN
3 THE RECORDS OF A PROVIDER IS LOCATED WITHIN THIS STATE.
4 2. "DEVELOPER" MEANS A CREATOR OF SOFTWARE APPLICATIONS THAT ARE
5 MADE AVAILABLE FOR DOWNLOAD BY USERS THROUGH A DIGITAL APPLICATION
6 DISTRIBUTION PLATFORM OR OTHER DIGITAL DISTRIBUTION PLATFORM.
7 3. "DIGITAL APPLICATION DISTRIBUTION PLATFORM":
8 (a) MEANS A DIGITAL DISTRIBUTION PLATFORM FOR APPLICATIONS AND
9 SERVICES THAT ARE PROVIDED TO USERS ON GENERAL-PURPOSE HARDWARE, INCLUDING
10 MOBILE PHONES, SMARTPHONES, TABLETS, PERSONAL COMPUTERS AND OTHER
11 GENERAL-PURPOSE DEVICES THAT ARE CONNECTED TO THE INTERNET.
12 (b) INCLUDES A DIGITAL DISTRIBUTION PLATFORM THAT IS PROVIDED OR
13 USED FOR ONLY CERTAIN TYPES OF DEVICES, SUCH AS CERTAIN GRADES OF
14 COMPUTING DEVICE, DEVICES THAT ARE MADE BY ONLY A PARTICULAR MANUFACTURER
15 OR DEVICES THAT RUN A PARTICULAR OPERATING SYSTEM.
16 4. "DOMICILED IN THIS STATE" MEANS A PERSON THAT CONDUCTS IN THIS
17 STATE THE SUBSTANTIAL PORTION OF WORK TO CREATE OR TO MAINTAIN DIGITAL
18 APPLICATIONS.
19 5. "IN-APPLICATION PAYMENT SYSTEM" MEANS AN APPLICATION, SERVICE OR
20 USER INTERFACE THAT IS USED TO PROCESS PAYMENTS FROM USERS TO DEVELOPERS
21 FOR SOFTWARE APPLICATIONS AND DIGITAL AND PHYSICAL PRODUCTS AND SERVICES
22 DISTRIBUTED THROUGH SOFTWARE APPLICATIONS.
23 6. "PROVIDER" MEANS A PERSON THAT OWNS, OPERATES, IMPLEMENTS OR
24 MAINTAINS A DIGITAL APPLICATION DISTRIBUTION PLATFORM OR AN IN-APPLICATION
25 PAYMENT SYSTEM.
26 7. "SPECIAL-PURPOSE DIGITAL APPLICATION DISTRIBUTION PLATFORM"
27 MEANS A DIGITAL DISTRIBUTION PLATFORM ESTABLISHED PRIMARILY FOR USE BY
28 PUBLIC SAFETY AGENCIES OR FOR SINGLE OR SPECIALIZED CATEGORIES OF
29 APPLICATIONS, SOFTWARE AND SERVICES THAT ARE PROVIDED TO USERS ON HARDWARE
30 INTENDED PRIMARILY FOR SPECIFIC PURPOSES, INCLUDING GAMING CONSOLES, MUSIC
31 PLAYERS AND OTHER SPECIAL-PURPOSE DEVICES THAT ARE CONNECTED TO THE
32 INTERNET.