



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
First Regular Session

House: APPROP DPA/SE 7-6-0-0

**HB 2005: ~~education; federal funds; technical correction~~
NOW: prohibitions; digital application distribution platforms
Sponsor: Representative Cobb, LD 5
House Engrossed**

Overview

Restricts the ability of certain *digital application distribution platforms* to require use of a specific *in-application payment system*.

History

There is no current law that addresses this subject. As a result, many digital application distribution platforms, which distribute software and other applications to mobile phones, tablets and personal computers via the Internet, operate under their own terms and conditions.

Provisions

1. Prohibits a provider of a *digital application distribution platform* whose cumulative downloads from Arizona users in a calendar year exceed 1,000,000 from:
 - a) Requiring an Arizona-domiciled developer or Arizona user to use a specific *in-application payment system* as the sole method of accepting payments for either a software download or a digital or physical product; or
 - b) Retaliating against an Arizona-domiciled developer or Arizona user for using an *in-application payment system* or *digital application distribution platform* not associated with the provider. (Sec. 1)
2. Exempts from the prohibitions *digital distribution platforms* that are:
 - a) Established primarily for use by public safety agencies; or
 - b) Used for specialized categories of applications that are provided to users of hardware intended for specific purposes (such as gaming consoles and music players). (Sec. 1)
3. Allows the Attorney General to receive complaints, investigate and bring an action on behalf of aggrieved parties to seek legal or equitable relief on their behalf. (Sec. 1)
4. Permits an aggrieved party to bring a civil action to seek legal or equitable relief if the Attorney General does not bring an action within 60 days after receiving notice from the aggrieved party. (Sec. 1)
5. Defines *Arizona user*, *developer*, *digital application distribution platform*, *domiciled in this state*, *in-application payment system*, *provider* and *special-purpose digital application distribution platform*. (Sec. 1)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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