

COMMITTEE ON COMMERCE
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2200
(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
16 IN-APPLICATION PAYMENT SYSTEMS THAT ARE OWNED OR CONTROLLED BY THE DIGITAL
17 APPLICATION DISTRIBUTION PLATFORM AS THE EXCLUSIVE MODE OF ACCEPTING
18 PAYMENTS FROM A USER TO DOWNLOAD A SOFTWARE APPLICATION OR PURCHASE A
19 DIGITAL OR PHYSICAL PRODUCT OR SERVICE THROUGH A SOFTWARE APPLICATION.

20 2. REQUIRE EXCLUSIVE USE OF IN-APPLICATION PAYMENT SYSTEMS THAT ARE
21 OWNED OR CONTROLLED BY THE DIGITAL APPLICATION DISTRIBUTION PLATFORM FOR
22 ACCEPTING PAYMENTS FROM ARIZONA USERS TO DOWNLOAD A SOFTWARE APPLICATION OR
23 PURCHASE A DIGITAL OR PHYSICAL PRODUCT OR SERVICE THROUGH A SOFTWARE
24 APPLICATION.

25 3. RETALIATE AGAINST A DEVELOPER THAT IS DOMICILED IN THIS STATE FOR
26 OFFERING OR AN ARIZONA USER FOR USING AN IN-APPLICATION PAYMENT SYSTEM THAT
27 IS NOT OWNED BY, OPERATED BY OR AFFILIATED WITH THE PROVIDER OR RETALIATE

1 AGAINST A DEVELOPER FOR OFFERING AN IN-APPLICATION PAYMENT SYSTEM THAT IS
2 NOT OWNED BY, OPERATED BY OR AFFILIATED WITH THE PROVIDER TO ACCEPT
3 PAYMENTS FROM ARIZONA USERS. SUCH PROHIBITED ACTS INCLUDE DEMOTING THE
4 SEARCH RANKINGS OF THE DEVELOPER, SHIFTING FEES TOWARD THE DEVELOPER OR
5 SLOWING DOWN THE APPLICATION REVIEW AND APPROVAL TIMELINES.

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

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

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

16 E. AN ACTION MAY NOT BE COMMENCED UNDER SUBSECTION D OF THIS SECTION
17 UNTIL SIXTY DAYS AFTER THE PLAINTIFF HAS GIVEN NOTICE OF THE ALLEGED
18 VIOLATION TO THE ATTORNEY GENERAL. AN ACTION MAY NOT BE COMMENCED UNDER
19 SUBSECTION D OF THIS SECTION IF THE ATTORNEY GENERAL HAS COMMENCED AND IS
20 DILIGENTLY PROSECUTING AN ACTION IN COURT ARISING FROM THE SAME ALLEGED
21 VIOLATION.

22 F. FOR THE PURPOSES OF THIS SECTION:

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

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

28 3. "DIGITAL APPLICATION DISTRIBUTION PLATFORM":

29 (a) MEANS A DIGITAL DISTRIBUTION PLATFORM FOR APPLICATIONS AND
30 SERVICES THAT ARE PROVIDED TO USERS ON MOBILE PHONES, SMARTPHONES OR OTHER
31 MOBILE COMPUTING DEVICES AND THE DEVICES RUN A MOBILE OPERATING SYSTEM THAT

1 IS OWNED OR CONTROLLED BY THE PROVIDER OF THE DIGITAL DISTRIBUTION
2 PLATFORM.

3 (b) INCLUDES A DIGITAL DISTRIBUTION PLATFORM THAT IS PROVIDED OR
4 USED FOR ONLY CERTAIN TYPES OF DEVICES, SUCH AS CERTAIN GRADES OF COMPUTING
5 DEVICES, DEVICES THAT ARE MADE BY ONLY A PARTICULAR MANUFACTURER OR DEVICES
6 THAT RUN A PARTICULAR OPERATING SYSTEM.

7 4. "DOMICILED IN THIS STATE" MEANS A PERSON THAT CONDUCTS IN THIS
8 STATE THE SUBSTANTIAL PORTION OF WORK TO CREATE OR TO MAINTAIN DIGITAL
9 APPLICATIONS.

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

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

17 7. "SPECIAL-PURPOSE DIGITAL APPLICATION DISTRIBUTION PLATFORM" MEANS
18 A DIGITAL DISTRIBUTION PLATFORM ESTABLISHED PRIMARILY FOR USE BY PUBLIC
19 SAFETY AGENCIES OR FOR SINGLE OR SPECIALIZED CATEGORIES OF APPLICATIONS,
20 SOFTWARE AND SERVICES THAT ARE PROVIDED TO USERS ON HARDWARE INTENDED
21 PRIMARILY FOR SPECIFIC PURPOSES, INCLUDING GAMING CONSOLES, MUSIC PLAYERS
22 AND OTHER SPECIAL-PURPOSE DEVICES THAT ARE CONNECTED TO THE INTERNET."

23 Amend title to conform

And, as so amended, it do pass

JEFF WENINGER
CHAIRMAN

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