SENATE BILL 1236

AN ACT

AMENDING SECTIONS 9-500.42 AND 11-269.22, ARIZONA REVISED STATUTES; RELATING TO LOCAL GOVERNMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 9-500.42, Arizona Revised Statutes, is amended to read:

9-500.42. Prohibition on regulation of running node on blockchain technology; taxation; state preemption; definitions

A. A city or town may not prohibit or otherwise restrict an individual from running a node on blockchain technology in a residence.

B. A CITY OR TOWN MAY NOT IMPOSE A TAX OR FEE ON ANY PERSON OR ENTITY FOR RUNNING A NODE ON BLOCKCHAIN TECHNOLOGY IN A RESIDENCE. THIS SUBSECTION DOES NOT APPLY TO A TAX LEVIED PURSUANT TO SECTION 42-6012.

C. The regulation of the act of running a node on blockchain technology in a residence AND THE IMPOSITION OF A TAX OR FEE ON A PERSON OR ENTITY RUNNING A NODE ON BLOCKCHAIN TECHNOLOGY IN A RESIDENCE is of statewide concern and not subject to further regulation by a city or town.

D. For the purposes of this section:

1. "BLOCKCHAIN TECHNOLOGY" HAS THE SAME MEANING PRESCRIBED IN SECTION 44-7061.

2. "Running a node on blockchain technology" means providing computing power to validate or encrypt transactions in blockchain technology as defined in section 44-7061.

Sec. 2. Section 11-269.22, Arizona Revised Statutes, is amended to read:

11-269.22. Prohibition on regulation of running node on blockchain technology; taxation; state preemption; definitions

A. A county may not prohibit or otherwise restrict an individual from running a node on blockchain technology in a residence.

B. A COUNTY MAY NOT IMPOSE A TAX OR FEE ON ANY PERSON OR ENTITY FOR RUNNING A NODE ON BLOCKCHAIN TECHNOLOGY IN A RESIDENCE. THIS SUBSECTION DOES NOT APPLY TO A TAX LEVIED PURSUANT TO SECTION 42-6110.

C. The regulation of the act of running a node on blockchain technology in a residence AND THE IMPOSITION OF A TAX OR FEE ON A PERSON OR ENTITY RUNNING A NODE ON BLOCKCHAIN TECHNOLOGY IN A RESIDENCE is of statewide concern and not subject to further regulation by a county.

D. For the purposes of this section:

1. "BLOCKCHAIN TECHNOLOGY" HAS THE SAME MEANING PRESCRIBED IN SECTION 44-7061.

2. "Running a node on blockchain technology" means providing computing power to validate or encrypt transactions in blockchain technology as defined in section 44-7061.