

REFERENCE TITLE: regulatory sandbox; blockchain

State of Arizona
Senate
Fifty-sixth Legislature
Second Regular Session
2024

SB 1366

Introduced by
Senators Bolick; Fernandez; Representative Wilmeth

AN ACT

AMENDING SECTION 41-5601, ARIZONA REVISED STATUTES; RELATING TO THE
REGULATORY SANDBOX PROGRAM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 41-5601, Arizona Revised Statutes, is amended to
3 read:
4 41-5601. Definitions
5 In this chapter, unless the context otherwise requires:
6 1. "Applicable agency" means a department or agency of this state
7 established by law to regulate certain types of business activity in this
8 state and persons engaged in such business, including the issuance of
9 licenses or other types of authorization, that the attorney general
10 determines would or may regulate a sandbox participant if the person was
11 not a regulatory sandbox participant.
12 2. "BLOCKCHAIN TECHNOLOGY" HAS THE SAME MEANING PRESCRIBED IN
13 SECTION 44-7061.
14 ~~2.~~ 3. "Consumer":
15 (a) Means a person that purchases or enters into a transaction for
16 an innovation that is being tested by a sandbox participant.
17 (b) Does not include an agent or business partner of or an investor
18 in a sandbox participant.
19 ~~3.~~ 4. "Financial product or service" means a product or service
20 that requires licensure under title 6 or title 44, chapter 2.1 or 13 or a
21 product or service that includes a business model, delivery mechanism or
22 element that may otherwise be regulated under title 6 or title 44, chapter
23 2.1 or 13.
24 ~~4.~~ 5. "Innovation" means the use or incorporation of A new or
25 EXISTING IDEA OR A NEW OR emerging technology or ~~the reimagination of uses~~
26 ~~for A NEW USE OF~~ existing technology, INCLUDING BLOCKCHAIN TECHNOLOGY, to
27 address a problem, provide a benefit or otherwise offer a product,
28 ~~service, business model or delivery mechanism that is not known by the~~
29 ~~attorney general to have a comparable widespread offering in this state~~
30 PRODUCTION METHOD OR SERVICE.
31 ~~5.~~ 6. "Innovative financial product or service" means a financial
32 product or service that includes an innovation.
33 ~~6.~~ 7. "Regulatory sandbox" means the program established by this
34 chapter that allows a person to temporarily test an innovation on a
35 limited basis without otherwise being licensed or authorized to act under
36 the laws of this state.
37 ~~7.~~ 8. "Sandbox participant" means any person whose application to
38 participate in the regulatory sandbox is approved pursuant to this
39 chapter.
40 ~~8.~~ 9. "Test" means to provide products and services as allowed by
41 this chapter.