

House Engrossed

qualified marketplace contractors; employment

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

## **CHAPTER 55**

# **HOUSE BILL 2310**

AN ACT

AMENDING SECTION 23-1603, ARIZONA REVISED STATUTES; RELATING TO EMPLOYMENT  
RELATIONSHIPS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 23-1603, Arizona Revised Statutes, is amended to  
3 read:

4 23-1603. Qualified marketplace contractors; definitions

5 A. A qualified marketplace contractor shall be treated as an  
6 independent contractor for all purposes under state and local laws,  
7 regulations and ordinances, including employment security laws prescribed  
8 in chapter 4 of this title and workers' compensation laws prescribed in  
9 chapter 6 of this title, if all of the following apply:

10 1. All or substantially all of the payment for the services  
11 performed by the qualified marketplace contractor is related to the  
12 performance of services or other output.

13 2. The services performed by the qualified marketplace contractor  
14 are governed by a written contract executed between the qualified  
15 marketplace contractor and a qualified marketplace platform.

16 3. The written contract required by paragraph 2 of this subsection  
17 provides for all of the following:

18 (a) That the qualified marketplace contractor is providing services  
19 as an independent contractor and not as an employee.

20 (b) That, pursuant to paragraph 1 of this subsection, all or  
21 substantially all of the payment paid to the **QUALIFIED MARKETPLACE**  
22 contractor shall be based on the performance of services or other output.

23 (c) That the qualified marketplace contractor is allowed to work  
24 any hours or schedules the qualified marketplace contractor chooses. If  
25 the qualified marketplace contractor elects to work specified hours or  
26 schedules, a contract may require the qualified marketplace contractor to  
27 perform work during the selected hours or schedules.

28 (d) That the qualified marketplace contract does not restrict the  
29 **QUALIFIED MARKETPLACE** contractor's ability to perform services for other  
30 parties.

31 (e) That the qualified marketplace contractor bears all or  
32 substantially all of the qualified marketplace contractor's own expenses  
33 that are incurred by the qualified marketplace contractor in performing  
34 the services.

35 (f) That the qualified marketplace contractor is responsible for  
36 the taxes on the qualified marketplace contractor's own income.

37 (g) That the contract and the association created by the contract  
38 may be terminated without cause **AT ANY TIME AND ON REASONABLE NOTICE IN**  
39 **WHICH THE CONTRACT EXPRESSLY PROVIDES FOR TERMINATION** by either party to  
40 the contract. ~~OR UNILATERALLY BY A QUALIFIED MARKETPLACE CONTRACTOR~~ at  
41 any time on reasonable notice given to the other party.

42 B. For services performed by a qualified marketplace contractor  
43 before August 6, 2016, the qualified marketplace contractor shall be  
44 treated as an independent contractor for all purposes under state and  
45 local laws, regulations and ordinances, including employment security laws

1 prescribed in chapter 4 of this title and workers' compensation laws  
2 prescribed in chapter 6 of this title, if both of the following apply:

3 1. All or substantially all of the payment for the services  
4 performed by the qualified marketplace contractor is related to the  
5 performance of services or other output.

6 2. The services performed by the qualified marketplace contractor  
7 are governed by a written contract executed between the qualified  
8 marketplace contractor and a qualified marketplace platform that conforms  
9 to the requirements of subsection A, paragraph 3 of this section.

10 C. Compliance with this section is not mandatory in order to  
11 establish the existence of an independent contractor relationship. The  
12 exclusion of any contractor or digital platform from this section does not  
13 create any presumptions and is not admissible to deny the existence of an  
14 independent contractor relationship.

15 D. This section does not apply to:

16 1. Service performed in the employ of a state, or any political  
17 subdivision of ~~the~~ A state, or in the employ of an Indian tribe, or any  
18 instrumentality of a state, any political subdivision of a state or any  
19 Indian tribe that is wholly owned by one or more states or political  
20 subdivisions or Indian tribes, provided that such service is excluded from  
21 employment as defined in the federal unemployment tax act (26 United  
22 States Code sections 3301 ~~and~~ THROUGH 3311) SOLELY BY REASON OF 26 UNITED  
23 STATES CODE SECTION 3306(c)(7)~~).~~

24 2. Service performed in the employ of a religious, charitable,  
25 educational or other organization that is excluded from employment as  
26 defined in the federal unemployment tax act (26 United States Code  
27 sections 3301 through 3311), solely by reason of 26 United States Code  
28 section 3306(c)(8).

29 E. For the purposes of this section:

30 1. "Qualified marketplace contractor" means any person or  
31 organization, including an individual, corporation, limited liability  
32 company, partnership, sole ~~proprietor~~ PROPRIETORSHIP or other entity, that  
33 enters into an agreement with a qualified marketplace platform to use the  
34 qualified marketplace platform's digital platform to provide services to  
35 third-party individuals or entities seeking those services. Qualified  
36 marketplace contractor does not include any contractor when the services  
37 performed consist of transporting freight, sealed and closed envelopes,  
38 boxes or parcels or other sealed and closed containers for compensation.

39 2. "Qualified marketplace platform":

40 (a) Means an organization, including, ~~but not limited to,~~ a  
41 corporation, limited liability company, partnership, ~~OR~~ sole ~~proprietor~~  
42 PROPRIETORSHIP or any other entity, that both:

43 ~~(a)~~ (i) Operates a digital website or digital smartphone  
44 application that facilitates the provision of services by qualified  
45 marketplace contractors to individuals or entities seeking such services.

1           ~~(b)~~ (ii) Accepts service requests from the public only through its  
2 digital website or digital smartphone application, and does not accept  
3 service requests by telephone, by facsimile or in person at physical  
4 retail locations. ~~Qualified marketplace platform~~  
5           (b) Does not include any digital website or smartphone application  
6 where the services facilitated consist of transporting freight, sealed and  
7 closed envelopes, boxes or parcels or other sealed and closed containers  
8 for compensation.  
9           Sec. 2. Applicability  
10           This act applies to any contract or addendum entered into from and  
11 after the effective date of this act.

APPROVED BY THE GOVERNOR APRIL 13, 2026.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 13, 2026.