

REFERENCE TITLE: solar devices; sellers; marketers; licensure

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

HB 2339

Introduced by
Representatives Heap: Marshall

AN ACT

AMENDING SECTIONS 32-1103 AND 32-1104, ARIZONA REVISED STATUTES; AMENDING SECTION 32-1107, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2024, CHAPTER 222, SECTION 11; AMENDING SECTION 32-1107, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2024, CHAPTER 222, SECTION 12; AMENDING SECTIONS 32-1126, 32-1154, 32-1162, 32-1166 AND 32-1166.01, ARIZONA REVISED STATUTES; AMENDING TITLE 44, CHAPTER 11, ARTICLE 11, ARIZONA REVISED STATUTES, BY ADDING SECTION 44-1762.01; RELATING TO SOLAR ENERGY DEVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 32-1103, Arizona Revised Statutes, is amended to
3 read:

4 32-1103. Registrar of contractors; salary

5 The governor shall appoint a registrar of contractors pursuant to
6 section 38-211. The registrar shall serve at the pleasure of the
7 governor. The registrar is vested with all functions and duties relating
8 to administration of this chapter **AND TITLE 44, CHAPTER 11, ARTICLE**
9 **11**. The registrar shall receive compensation as determined pursuant to
10 section 38-611.

11 Sec. 2. Section 32-1104, Arizona Revised Statutes, is amended to
12 read:

13 32-1104. Powers and duties

14 A. The registrar, in addition to other duties and rights provided
15 for in this chapter **AND TITLE 44, CHAPTER 11, ARTICLE 11**, shall:

16 1. Maintain an office in Phoenix and in such other cities and towns
17 in ~~the~~ **THIS** state as the registrar deems advisable and necessary.

18 2. Maintain a complete indexed record of all applications and
19 licenses **THAT ARE** issued, renewed, terminated, ~~cancelled~~ **CANCELED**, revoked
20 or suspended under this chapter, including timely notation of any judicial
21 disposition on appeal, for a period of ~~not less than~~ **AT LEAST** seven years.

22 3. Furnish a certified copy of any license issued or an affidavit
23 that no license exists or that a license has been ~~cancelled~~ **CANCELED** or
24 suspended, including information as to the status on appeal of such a
25 cancellation or suspension, on receipt of the prescribed fee. ~~, and~~ That
26 certified copy or affidavit shall be received in all courts and elsewhere
27 as prima facie evidence of the facts stated ~~therein~~ **IN THE CERTIFIED COPY**
28 **OR AFFIDAVIT**. The registrar shall also furnish certified copies of
29 license bonds or cash deposit certificates on receipt of the prescribed
30 fee. Fees charged pursuant to this paragraph are \$10 per hour, except
31 that the minimum fee charged pursuant to this paragraph is \$10.

32 4. Employ such deputies, investigators and assistants **WHO ARE**
33 subject to title 41, chapter 4, article 4, and procure such equipment and
34 records, as are necessary to enforce this chapter. With respect to the
35 enforcement of section 32-1164, the registrar or the registrar's
36 investigators are vested with the authority to issue a citation to any
37 violators of this chapter in accordance with section 13-3903. When the
38 registrar or the registrar's investigators conduct investigations they are
39 authorized to receive criminal history record information from the
40 department of public safety and other law enforcement agencies.

41 5. Make rules the registrar deems necessary to effectually carry
42 out the provisions and intent of this chapter. Such rules shall include
43 the adoption of minimum standards for good and workmanlike construction.
44 In adopting such rules of minimum standards, the registrar shall be guided
45 by established usage and procedure as found in the construction business

1 in this state. If the rules of minimum standards adopted by the registrar
2 are in any manner inconsistent with a building or other code of this
3 state, ~~OR~~ a county, city or other political subdivision or local
4 authority of this state, compliance with such code shall constitute good
5 and workmanlike construction for the purposes of this chapter.

6 6. Apply the following to proposed rule changes:

7 (a) The registrar of contractors, at the time the registrar files
8 notice of proposed rule change with the secretary of state in compliance
9 with title 41, chapter 6, shall mail to each trade association that
10 qualifies in accordance with subdivision (b) of this paragraph, and any
11 other individual holding a bona fide contractor's license who qualifies in
12 accordance with subdivision (b) of this paragraph, a copy of the notice of
13 proposed rule change.

14 (b) Every trade association in this state allied with the
15 contracting business that files a written request that a notice be mailed
16 to it and shows that the association has an interest in the rules of the
17 registrar of contractors shall receive a copy ~~thereof~~ **OF THE NOTICE OF**
18 **PROPOSED RULE CHANGE**, as set forth in subdivision (a) of this paragraph.
19 Such filing of a request may be made every two years, ~~and it~~ shall
20 contain information as to the nature of the association and its mailing
21 address. Any duly licensed contractor who files a written request shall
22 receive a copy of the proposed rule changes in accordance with this
23 paragraph. Each such request may be made every two years.

24 7. Prepare and furnish decals and business management books when
25 deemed advisable by the registrar. A reasonable fee may be charged for
26 such decals and business management books.

27 8. Refer criminal violations of this chapter to the appropriate law
28 enforcement agency or prosecuting authority.

29 B. The registrar may develop and institute programs to do any of
30 the following:

31 1. Educate the public and contractors licensed pursuant to this
32 chapter regarding statutes, rules, policies and operations of the agency.

33 2. Assist in resolving disputes in an informal process before a
34 reportable written complaint is filed. The registrar must notify the
35 licensed contractor in an alleged dispute before a written complaint is
36 filed and allow the contractor the opportunity to be present at any
37 inspection regarding the alleged dispute. The registrar must give the
38 contractor at least five days' notice before the inspection. Issues in
39 the alleged dispute under this section shall not be limited in number and
40 shall not be considered formal written complaints. The homeowner reserves
41 the right to deny access to the contractor under this informal complaint
42 process. The registrar must notify the contractor and the homeowner in
43 writing of the registrar's findings within five days after the date of the
44 inspection. The registrar may not post any information regarding the

informal complaint process as part of a licensee's record on the registrar's website.

3. Develop, manage, operate and sponsor ~~construction-related~~ CONSTRUCTION-RELATED programs THAT ARE designed to benefit the public in conjunction with other private and public entities.

C. The registrar shall publicly post a list of applicants for a contractor license on its website for at least twenty days, commencing on the day designated by the registrar. The registrar shall issue a license if the applicant meets all requirements regardless of the twenty-day posting period. The registrar shall furnish copies of the posting list on written request. A reasonable charge, not to exceed \$2 per month, may be made for compilation, printing and postage for the posting list. The list shall contain the following information:

1. The name and address of the applicant.

2. The names, addresses and official capacity of all persons required to sign the application under section 32-1122.

D. The registrar may accept voluntary gifts, grants or matching monies from public agencies or enterprises for the conduct of programs that are authorized by this section or that are consistent with the purpose of this chapter.

Sec. 3. Section 32-1107, Arizona Revised Statutes, as amended by Laws 2024, chapter 222, section 11, is amended to read:

32-1107. Registrar of contractors fund

A. The registrar of contractors fund is established. The registrar of contractors shall administer the fund. The registrar shall deposit, pursuant to sections 35-146 and 35-147, eighty-five percent of all monies collected under this chapter AND TITLE 44, CHAPTER 11, ARTICLE 11 in the registrar of contractors fund and fifteen percent of all monies collected under this chapter in the state general fund, except monies collected for the residential contractors' recovery fund and the contractors' cash bond fund and monies received from civil penalties.

B. The registrar shall use monies in the registrar of contractors fund for carrying out the powers and duties of the registrar and for the purposes of this chapter. Monies deposited in the registrar of contractors fund are subject to section 35-143.01.

Sec. 4. Section 32-1107, Arizona Revised Statutes, as amended by Laws 2024, chapter 222, section 12, is amended to read:

32-1107. Registrar of contractors fund

A. The registrar of contractors fund is established. The registrar of contractors shall administer the fund. The registrar shall deposit, pursuant to sections 35-146 and 35-147, ninety percent of all monies collected under this chapter AND TITLE 44, CHAPTER 11, ARTICLE 11 in the registrar of contractors fund and ten percent of all monies collected under this chapter in the state general fund, except monies collected for

1 the residential contractors' recovery fund and the contractors' cash bond
2 fund and monies received from civil penalties.

3 B. The registrar shall use monies in the registrar of contractors
4 fund for carrying out the powers and duties of the registrar and for the
5 purposes of this chapter. Monies deposited in the registrar of
6 contractors fund are subject to section 35-143.01.

7 Sec. 5. Section 32-1126, Arizona Revised Statutes, is amended to
8 read:

9 32-1126. Fees

10 A. The license fees prescribed by this chapter AND TITLE 44,
11 CHAPTER 11, ARTICLE 11 are as follows:

12 1. Application and license fees for an original biennial license:

13 (a) For general residential contracting and subclassifications of
14 general residential contracting, not more than \$500.

15 (b) For general commercial contracting and subclassifications of
16 general commercial contracting, not more than \$1,500.

17 (c) For general dual licensed contracting, not more than \$2,000.

18 (d) For specialty residential contracting, not more than \$350.

19 (e) For specialty commercial contracting, not more than \$1,000.

20 (f) For specialty dual licensed contracting, not more than \$1,350.

21 (g) FOR SOLAR ENERGY DEVICE SALESPERSONS, AN AMOUNT TO BE
22 DETERMINED BY THE REGISTRAR.

23 2. Biennial license renewal ~~fee~~ FEES:

24 (a) For general residential contracting and subclassifications of
25 general residential contracting, not more than \$320.

26 (b) For general commercial contracting and subclassifications of
27 general commercial contracting, not more than \$1,000.

28 (c) For general dual licensed contracting, not more than \$1,320.

29 (d) For specialty residential contracting, not more than \$270.

30 (e) For specialty commercial contracting, not more than \$900.

31 (f) For specialty dual licensed contracting, not more than \$1,170.

32 (g) FOR SOLAR ENERGY DEVICE SALESPERSONS, AN AMOUNT TO BE
33 DETERMINED BY THE REGISTRAR.

34 B. The fee for an annual license renewal granted pursuant to
35 section 32-1123.01 is one-half of the biennial license renewal fee.

36 C. The registrar may establish reasonable fees for services
37 performed by the registrar relating to reexaminations, processing of
38 applications, changes of qualifying party and approval of name changes on
39 licenses.

40 D. The penalty for failure to apply for renewal of a license within
41 the time prescribed by this chapter is \$50.

42 E. The registrar may establish a separate fee for examination.

43 F. The registrar may contract with private testing services to
44 establish and administer such examinations and may authorize the payment
45 of the examination fee to the private testing service.

G. Except as provided in section 32-1152, subsection C, a person applying for a contractor license or for renewal of a contractor license to engage in residential contracting shall pay an assessment of not more than \$600 during the biennial license period for deposit in the residential contractors' recovery fund established by section 32-1132. If the registrar does not issue the license, the assessment shall be returned to the applicant.

Sec. 6. Section 32-1154, Arizona Revised Statutes, is amended to read:

32-1154. Grounds for suspension or revocation of license: continuing jurisdiction; civil penalty

A. The holder of a license or any person named on a license pursuant to this chapter OR TITLE 44, CHAPTER 11, ARTICLE 11 may not commit any of the following acts or omissions:

1. Abandonment of a contract or refusal to perform after submitting a bid on work without A legal excuse for the abandonment or refusal.

2. Departure from or disregard of:

(a) Plans or specifications in any material respect that is prejudicial to another without consent of the owner or the owner's duly authorized representative and without the consent of the person entitled to have the particular construction project or operation completed in accordance with such plans and specifications and code.

(b) A building code of this state or any political subdivision of this state in any material respect that is prejudicial to another.

3. Violation of any rule adopted by the registrar.

4. Failure to comply with the statutes or rules governing social security, workers' compensation or unemployment insurance.

5. Misrepresentation of a material fact by the applicant in obtaining a license.

6. The doing of a fraudulent act by the licensee as a contractor resulting in another person being substantially injured. For the purposes of this paragraph, "fraudulent act" means a material misrepresentation that a licensee makes, that is relied on by another person and that results in damage to that person or that person's property.

7. Conviction of a felony.

8. Failure in a material respect by the licensee to complete a construction project or operation for the price stated in the contract, or in any modification of the contract.

9. Attempting to evade this chapter OR TITLE 44, CHAPTER 11, ARTICLE 11 by:

(a) Aiding or abetting a licensed or unlicensed person.

(b) Acting or conspiring with a licensed or unlicensed person.

(c) Allowing one's license to be used by a licensed or unlicensed person.

1 (d) Acting as AN agent, partner, associate or otherwise of a
2 licensed or unlicensed person.

3 10. Failure by a licensee or agent or official of a licensee to pay
4 monies in excess of \$750 when due for materials or services rendered in
5 connection with the licensee's operations as a contractor unless the
6 licensee proves that the licensee lacks the capacity to pay and has not
7 received sufficient monies as payment for the particular construction work
8 project or operation for which the services or materials were rendered or
9 purchased.

10 11. Failure of a contractor to comply with any safety or labor laws
11 or codes of the federal government, this state or political subdivisions
12 of this state.

13 12. Failure in any material respect to comply with this chapter OR
14 TITLE 44, CHAPTER 11, ARTICLE 11.

15 13. Knowingly entering into a contract with a contractor for work
16 to be performed for which a license is required with a person that is not
17 duly licensed in the required classification.

18 14. Acting in the capacity of a contractor under any license issued
19 under this chapter in a name other than as set forth on the license.

20 15. PROVIDING false, misleading or deceptive advertising whereby
21 any member of the public was misled and injured.

22 16. Knowingly contracting beyond the scope of the license or
23 licenses of the licensee.

24 17. Contracting or offering to contract or submitting a bid while
25 the license is under suspension or while the license is on inactive
26 status.

27 18. Failure to notify the registrar in writing within a period of
28 fifteen days of any disassociation of the person who qualified for the
29 license. The licensee must qualify through another person within sixty
30 days after the date of disassociation.

31 19. ~~Subsequent discovery of facts~~ AN ACT OR OMISSION THAT IS
32 SUBSEQUENTLY DISCOVERED that if known at the time of issuance of a license
33 or the renewal of a license would have been grounds to deny the issuance
34 or renewal of the license.

35 20. Having a person named on the license who is or was named on any
36 other license in this state or in another state that is under suspension
37 or revocation for any act or omission that occurs while the person is or
38 was named on the license unless the prior revocation was based solely on a
39 violation of this paragraph.

40 21. Continuing a new single-family residential construction project
41 with actual knowledge that a pretreatment wood-destroying pests or
42 organisms application was either:

43 (a) Not performed at the required location.

44 (b) Performed in a manner inconsistent with label requirements,
45 state law or rules.

1 22. Failure to take appropriate corrective action to comply with
2 this chapter or with rules adopted pursuant to this chapter without valid
3 justification within a reasonable period of time after receiving a written
4 directive from the registrar. The written directive must set forth the
5 time within which the contractor is to complete the remedial action. The
6 time permitted for compliance may not be less than fifteen days from the
7 date of issuance of the directive. A license may not be revoked or
8 suspended nor may any other penalty be imposed for a violation of this
9 paragraph until after a hearing has been held.

10 23. Prohibit, threaten to prohibit, retaliate against, threaten to
11 retaliate against or otherwise intimidate any contractor or materialman
12 from serving a preliminary notice pursuant to section 33-992.01.

13 24. For contractors AND SELLERS OR MARKETERS AS DEFINED IN SECTION
14 44-1761 OF SOLAR ENERGY DEVICES AS DEFINED IN SECTION 44-1761, failure to
15 comply with title 44, chapter 11, article 11.

16 B. The registrar:

17 1. May investigate the acts of a contractor, OR OF A SELLER OR
18 MARKETER AS DEFINED IN SECTION 44-1761 OF SOLAR ENERGY DEVICES AS DEFINED
19 IN SECTION 44-1761, in this state on the registrar's own motion.

20 2. Shall investigate the acts of a contractor in this state on the
21 written complaint of any owner or contractor that is a party to a
22 construction contract or a person who suffers a material loss or injury as
23 a result of a contractor's failure to perform work in a professional and
24 workmanlike manner or in accordance with any applicable building codes and
25 professional industry standards. For the purposes of this paragraph:

26 (a) "Construction contract" means a written or oral agreement
27 relating to the construction, alteration, repair, maintenance, moving or
28 demolition of any building, structure or improvement or relating to the
29 contractor's excavation of or other development or improvement to land if
30 the registrar investigates the contractor's actions under this subsection.

31 (b) "Owner" means any person, firm, partnership, corporation,
32 association or other organization, or a combination of any of them, that
33 causes a building, structure or improvement to be constructed, altered,
34 repaired, maintained, moved or demolished or that causes land to be
35 excavated or otherwise developed or improved, whether the interest or
36 estate of the person is in fee, as vendee under a contract to purchase, as
37 lessee or another interest or estate less than fee, pursuant to a
38 construction contract.

39 3. May temporarily suspend, with or without imposition of specific
40 conditions in addition to increased surety bond or cash deposit
41 requirements, or permanently revoke any or all licenses issued under this
42 chapter OR TITLE 44, CHAPTER 11, ARTICLE 11 if the holder of the license
43 issued pursuant to this chapter OR TITLE 44, CHAPTER 11, ARTICLE 11 is
44 guilty of or commits any of the acts or omissions set forth in subsection
45 A of this section.

1 4. ON THE WRITTEN COMPLAINT OF A MEMBER OF THE PUBLIC, SHALL
2 INVESTIGATE THE ACTS OF A SELLER OR MARKETER AS DEFINED IN SECTION 44-1761
3 OF SOLAR ENERGY DEVICES AS DEFINED IN SECTION 44-1761.

4 C. Pursuant to this chapter, the registrar shall suspend by
5 operation of law a license issued to a person under this chapter on notice
6 from the department of revenue that a tax debt related to income taxes,
7 withholding taxes or any tax imposed or administered by title 42, chapter
8 5 that was incurred in the operation of the licensed business has become
9 final and the person neglects to pay or refuses to pay the tax debt.

10 D. The expiration, cancellation, suspension or revocation of a
11 license by operation of law or by decision and order of the registrar or a
12 court of law or the voluntary surrender of a license by a licensee does
13 not deprive the registrar of jurisdiction to proceed with any
14 investigation of or action or disciplinary proceeding against such a
15 licensee, or to render a decision suspending or revoking such a license,
16 or denying the renewal or right of renewal of such a license.

17 E. The registrar may impose a civil penalty of not ~~to exceed~~ MORE
18 THAN \$500 on a contractor for each violation of subsection A, paragraph 22
19 of this section. Civil penalties collected pursuant to this subsection
20 shall be deposited in the residential contractors' recovery fund. The
21 failure by the licensee to pay any civil penalty imposed under this
22 subsection results in the automatic revocation of the license thirty days
23 after the effective date of the order providing for the civil penalty. A
24 person who is or was named on a license of a contractor when an act or
25 omission occurs that results in a civil penalty may not receive a new
26 license under this chapter until the entire civil penalty is paid.

27 F. The registrar may impose a civil penalty of not ~~to exceed~~ MORE
28 THAN \$1,000 on a contractor for each violation of subsection A, paragraph
29 17 of this section. Civil penalties collected pursuant to this subsection
30 shall be deposited in the residential contractors' recovery fund. The
31 failure by the licensee to pay any civil penalty imposed under this
32 subsection results in the automatic permanent revocation of the license
33 thirty days after the effective date of the order providing for the civil
34 penalty. A person who is or was named on a license of a contractor when
35 an act or omission occurs that results in a civil penalty may not receive
36 a new license under this chapter until the entire civil penalty is paid.

37 Sec. 7. Section 32-1162, Arizona Revised Statutes, is amended to
38 read:

39 32-1162. Statute of limitations; remedy violations

40 A. A person may file a written complaint pursuant to section
41 32-1155 with the registrar alleging a licensee has committed a violation
42 of this chapter OR TITLE 44, CHAPTER 11, ARTICLE 11. The complaint must
43 be filed:

44 1. For new home builds or other new building construction, within
45 two years after the earlier of the close of escrow or actual occupancy.

1 2. For all other projects, within two years after the completion of
2 the specific project.

3 B. For licensure regulatory purposes under this chapter, a
4 licensee's qualifying party is responsible for any violation of this
5 chapter committed by the licensee during the period of time that the
6 qualifying party is named on the license. This subsection does not impose
7 personal liability on the qualifying party for a licensee's violation of
8 this chapter.

9 C. For licensure regulatory purposes under this chapter, a person
10 named on a license is responsible for any violation of this chapter
11 committed by the licensee during the period of time that person was named
12 on the license. This subsection does not impose personal liability on a
13 person named on a license for a licensee's violation of this chapter.

14 D. A licensee doing business as a sole proprietor may be personally
15 liable to the registrar for the purposes of enforcing this chapter,
16 including subrogation proceedings brought by this state pursuant to
17 section 32-1138, [AND ENFORCING TITLE 44, CHAPTER 11, ARTICLE 11](#).

18 Sec. 8. Section 32-1166, Arizona Revised Statutes, is amended to
19 read:

20 32-1166. [Cease and desist orders](#)

21 A. The registrar may issue a cease and desist order to any person
22 who is required to be licensed by this chapter [OR TITLE 44, CHAPTER 11,](#)
23 [ARTICLE 11](#) but who is not licensed and who engaged in an act of
24 contracting, a practice or a transaction that violates this chapter [OR](#)
25 [TITLE 44, CHAPTER 11, ARTICLE 11](#), a rule adopted by the registrar or an
26 order issued by the registrar.

27 B. The cease and desist order may require the person to immediately
28 cease and desist from engaging in an act, practice or transaction on
29 receipt of the order.

30 C. Service of the cease and desist order is fully effected by
31 personal service or by mailing a true copy of the cease and desist order
32 by certified mail in a sealed envelope, with postage prepaid, addressed to
33 either:

- 34 1. The person's last known business address.
- 35 2. The person's residential address.

36 Sec. 9. Section 32-1166.01, Arizona Revised Statutes, is amended to
37 read:

38 32-1166.01. [Citation; civil penalties](#)

39 A. In conjunction with the registrar's authority to issue a cease
40 and desist order under section 32-1166, subsection A, the registrar may
41 issue a citation for contracting, practicing or transacting, [OR FOR](#)
42 [SELLING OR MARKETING A SOLAR ENERGY DEVICE AS DEFINED IN SECTION 44-1761,](#)
43 that constitutes a violation of any of the following:

- 44 1. This chapter.
- 45 2. A rule adopted by the registrar.

1 3. An order issued by the registrar.
2 4. TITLE 44, CHAPTER 11, ARTICLE 11.
3 B. A citation issued pursuant to this section shall:
4 1. Be in writing.
5 2. Clearly describe the violation for which the citation was
6 issued.
7 3. Contain an order to cease and desist.
8 4. Contain a civil penalty of at least \$200 for each violation but
9 not more than \$2,500 for multiple violations committed on the same day.
10 C. Each violation of this chapter OR TITLE 44, CHAPTER 11, ARTICLE
11 11 or a rule or order of the registrar by a person who is required to be
12 licensed by this chapter OR TITLE 44, CHAPTER 11, ARTICLE 11 and who does
13 not possess the required license constitutes a separate offense, and the
14 registrar may impose a civil penalty OF not ~~to exceed~~ MORE THAN \$2,500 for
15 each violation except that the civil penalty may not exceed \$2,500 for all
16 violations committed on the same day.
17 D. The registrar shall issue a citation under this section within
18 one hundred and eighty days after actual discovery of the offense by this
19 state or the political subdivision having jurisdiction. Service of the
20 citation is fully effected by personal service or by mailing a true copy
21 of the citation by certified mail in a sealed envelope with postage
22 prepaid and addressed to either:
23 1. The person's last known business address.
24 2. The person's residential address.
25 E. The registrar may issue citations containing orders to cease and
26 desist and civil penalties against persons who have never been licensed
27 under:
28 1. This chapter AND who are acting in the capacity of or engaging
29 in the business of a contractor in this state.
30 2. TITLE 44, CHAPTER 11, ARTICLE 11 AND WHO ARE ACTING IN THE
31 CAPACITY OF OR ENGAGING IN THE BUSINESS OF A SELLER OR MARKETER AS DEFINED
32 IN SECTION 44-1761 OF A SOLAR ENERGY DEVICE AS DEFINED IN SECTION 44-1761
33 FOR PLACEMENT ON THE ROOF OF A RESIDENTIAL PROPERTY.
34 F. If the registrar issues a citation against a person and the
35 person fails to comply with the cease and desist order and citation, the
36 registrar may assess an additional civil penalty of up to \$2,500 for each
37 day the violation continues.
38 G. The registrar may adopt rules relating to the civil penalty that
39 give due consideration to the gravity of the violation and any history of
40 previous violations.
41 H. The penalties authorized under this section are separate from,
42 and in addition to, all other remedies provided by law, either civil or
43 criminal.

1 I. The registrar shall deposit, pursuant to sections 35-146 and
2 35-147, all monies collected from civil penalties under this section in
3 the state general fund.

4 Sec. 10. Title 44, chapter 11, article 11, Arizona Revised
5 Statutes, is amended by adding section 44-1762.01, to read:

6 44-1762.01. Sellers; marketers; licensure; registrar of
7 contractors; fiduciary duty; rules

8 A. A SELLER OR MARKETER MUST BE LICENSED BY THE REGISTRAR OF
9 CONTRACTORS TO SELL OR SOLICIT THE SALE, FINANCING OR LEASE OF A SOLAR
10 ENERGY DEVICE IF THE SOLAR ENERGY DEVICE IS DESIGNED TO BE INSTALLED ON
11 THE ROOF OF A RESIDENTIAL PROPERTY.

12 B. A PERSON IS ENTITLED TO RECEIVE A SOLAR ENERGY DEVICE
13 SALESPERSON LICENSE IF THE PERSON SUBMITS TO THE REGISTRAR OF CONTRACTORS
14 AN APPLICATION ON FORMS PRESCRIBED BY THE REGISTRAR OF CONTRACTORS AND
15 PAYS THE FEES PRESCRIBED BY SECTION 32-1126 FOR A SOLAR ENERGY DEVICE
16 SALESPERSON LICENSE. LICENSES ISSUED UNDER THIS SECTION ARE VALID FOR A
17 PERIOD OF TWO YEARS AND MAY BE RENEWED ON APPLICATION AS PRESCRIBED BY THE
18 REGISTRAR OF CONTRACTORS AND PAYMENT OF RENEWAL FEES AS PRESCRIBED BY
19 SECTION 32-1126.

20 C. A SELLER OR MARKETER OWES A FIDUCIARY DUTY TO THE BUYER OR
21 LESSEE OF A DISTRIBUTED ENERGY GENERATION SYSTEM TO ACT ACCORDING TO THE
22 BUYER'S OR LESSEE'S INSTRUCTIONS AND IN THE BUYER'S OR LESSEE'S BEST
23 INTERESTS NOTWITHSTANDING THE MANNER IN WHICH THE SELLER OR MARKETER IS
24 COMPENSATED.

25 D. THE REGISTRAR OF CONTRACTORS MAY ADOPT RULES TO ENFORCE THIS
26 SECTION.

27 Sec. 11. Effective date

28 Section 32-1107, Arizona Revised Statutes, as amended by Laws 2024,
29 chapter 222, section 12, is effective from and after June 30, 2028.