ARIZONA HOUSE OF REPRESENTATIVES
Fifty-seventh Legislature - First Regular Session

COMMITTEE ON COMMERCE

Report of Regular Meeting
Tuesday, March 11, 2025
House Hearing Room 5 -- 2:00 P.M. OR UPON RECESS OR ADJOURNMENT OF FLOOR

Convened 3:20 P.M.
Adjourned 3:45 P.M.

RECEIVED
CHIEF CLERKS OFFICE
MAR 11 2025

Members Present
Representative Aguilar
Representative Blackman
Representative Cavero
Representative Connolly
Representative Diaz
Representative Hendrix
Representative Villegas
Representative Wilmeth
Representative Way, Vice-Chairman
Representative Weninger, Chairman

Members Absent

Agenda
Original Agenda – Attachment 1

Request to Speak
Report – Attachment 2

Committee Attendance
Report – Attachment 3

Committee Action

Bill	Action	Vote	Attachments
SB1095	DP	6-4-0-0	4,5
SB1159	DP	10-0-0-0	6,7
SB1206	DP	8-2-0-0	8,9
SB1424	HELD		

Abby Selvey
Abby Selvey, Committee Secretary
March 11, 2025

(Original attachments on file in the Office of the Chief Clerk; video archives available at http://www.azleg.gov)

Convene: 3:20pm
Adjrn. : 3:45 pm

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-seventh Legislature - First Regular Session

REGULAR MEETING AGENDA

COMMITTEE ON COMMERCE

DATE Tuesday, March 11, 2025 ROOM HHR 5 TIME 2:00 P.M. or upon recess or adjournment of Floor

Members of the public may access a livestream of the meeting here:
https://www.azleg.gov/videoplayer/?clientID=6361162879&eventID=2025031037

Members:

Representative Aguilar	Representative Diaz	Representative Wilmeth
Representative Blackman	Representative Hendrix	Representative Way, Vice-Chairman
Representative Cavero	Representative Villegas	Representative Weninger, Chairman
Representative Connolly		

Bills		Short Title	Strike Everything Title
*SB1095	DP 6-4-0-0	central bank digital currency; ban (Hoffman: Keshel)	
*SB1159	DP 10-0-0-0	employment practices; wage claims (Gowan)	
*SB1206	DP 8-2-0-0	special deposits; banks; requirements; definitions(now: banks; special deposits; requirements) (Bolick)	
*SB1424	Held	liquor sampling; reporting; requirements (Bolick)	

* If first read and assigned

ORDER OF BILLS TO BE SET BY THE CHAIRMAN

VC
03/05/2025

People with disabilities may request reasonable accommodations such as interpreters, alternative formats, or assistance with physical accessibility. If you require accommodations, please contact the Chief Clerk's Office at (602) 926-3032 or through Arizona Relay Service 7-1-1.

ATTACHMENT 1

Information Registered on the Request to Speak System

House Commerce (3/11/2025)

SB1095, central bank digital currency; ban

Support:

Laurie Reiner, representing self; Mary Evelyn Simpson, representing self; Andrea Young, representing self; deana corsa, representing self; Leo Brown, representing self

All Comments:

Mary Evelyn Simpson, Self: YavGOP PC I do not want the federal government in control of how I spend my money

SB1159, employment practices; wage claims

Support:

Cesar Corral, representing self; Gina Griffiths, representing self; Jeanne Casteen, representing self; Dianne Post, AZ NATIONAL ORGANIZATION FOR WOMEN (NOW), Self; James Scheid, representing self; Sharon Lee, representing self; Kathleen Dubbs, representing self; Roger Blain, representing self; Sheila Green, representing self

All Comments:

Cesar Corral, Self: Subbing in for Mark Cardenas; James Scheid, Self: Employees would be able get back stolen wages.

SB1206, special deposits; banks; requirements; definitions (NOW: banks; special deposits; requirements)

Support:

Tim Berg, AZ COMMISSION ON UNIFORM STATE LAWS; Alexis Glascock, Arizona Uniform Laws Commission; Kari Bearman, representing self

All Comments:

Kari Bearman, Self: Happy to answer any questions the Committee may have on the Uniform Special Deposits Act.

SB1424, liquor sampling; reporting; requirements

ATTACHMENT 2

ARIZONA STATE LEGISLATURE

Fifty-seventh Legislature - First Regular Session

COMMITTEE ATTENDANCE RECORD

COMMITTEE ON **COMMERCE**

CHAIRMAN: Jeff Weninger VICE-CHAIRMAN: Michael Way

	DATE	03/11/25	/25	/25	/25	/25
	CONVENED	3:20pm	m	m	m	m
	RECESSED					
	RECONVENED					
	ADJOURNED	3:45pm				
MEMBERS						
Aguilar		✓				
Blackman		✓				
Cavero		✓				
Connolly		✓				
Diaz		✓				
Hendrix		✓				
Villegas		✓				
Wilmeth		✓				
Way, Vice-Chairman		✓				
Weninger, Chairman		✓				

√ Present --- Absent exc Excused

ATTACHMENT 3

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
Senate: FIN DP 4-3-0-0 | 3rd Read 17-12-1-0-0

SB 1095: central bank digital currency; ban
Sponsor: Senator Hoffman, LD 15
Committee on Commerce

Overview
Outlines prohibitions relating to the use of federally recognized central bank digital currency (CBDC).

History
According to the Federal Reserve, a CBDC is generally defined as a digital liability of a central bank that is widely available to the public. In the United States, Federal Reserve notes are the only type of central bank money available to the public. A CBDC would enable the public to make digital payments.

Arizona's Uniform Commercial Code regulates commercial and secured transactions in Arizona, including sales of goods, leases of personal property, negotiable instruments, bank deposits and collections, rights and obligations connected with fund transfers, letters of credit, investment securities and secured transactions. Under the Uniform Commercial Code, *money* is defined as a medium of exchange currently authorized or adopted by a domestic or foreign government, including a monetary unit of account established by an intergovernmental organization or by agreement between two or more countries (Title 47, A.R.S.).

Various statutes currently provide a definition of legal tender and includes specie as a type of legal tender. *Legal tender*, as used in various statutes, is defined as a medium of exchange, including specie, that is authorized by the United States Constitution or Congress for the payment of debts, public charges, taxes and dues. *Specie* is defined as coins having precious metal content.

Provisions
1. Prohibits a federally recognized CBDC from being:
   a) used as legal tender; or
   b) the subject or medium of payment of any contract, security or other similar instrument in this state, including contracts relating to commercial transactions. (Sec. 1)
2. Prohibits transfers made by an escrow agent from an escrow account from being settled or backed by federally recognized CBDC. (Sec. 2)
3. Excludes a federally recognized CBDC from the definition of *money* relating to the Uniform Commercial Code and from the definition of *legal tender*. (Sec. 1, 10)
4. Establishes a uniform statutory definition for *legal tender* and *specie*. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

ATTACHMENT 4

5. Makes conforming and technical changes. (Sec. 2-10)

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-seventh Legislature - First Regular Session

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1095

DATE March 11, 2025 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Aguilar			✓		
Blackman		✓			
Cavero			✓		
Connolly			✓		
Diaz		✓			
Hendrix		✓			
Villegas			✓		
Wilmeth		✓			
Way, Vice-Chairman		✓			
Weninger, Chairman		✓			
		6	4	0	0

Abby Selvey
COMMITTEE SECRETARY

APPROVED:
Jeff Weninger
JEFF WENINGER, Chairman
MICHAEL WAY, Vice-Chairman

ATTACHMENT 5

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session
Senate: FIN DP 6-0-1-0 | 3rd Read 25-3-2-0-0

SB 1159: employment practices; wage claims
Sponsor: Senator Gowan, LD 19
Committee on Commerce

Overview
Increases the monetary cap for filing an unpaid wage claim with the Industrial Commission of Arizona (ICA).

History
Title 23, Chapter 2, A.R.S. governs employment practices and working conditions, including requirements for payment of wages, minimum wages and employee benefits. Arizona employers must pay all wages due to employees on each of the regular paydays. Each employer must designate two or more days in each month, not more than sixteen days apart, as fixed paydays for payment of wages to their employees (A.R.S. § 23-351).

If an employer fails to pay the wages due to the employee, the employee may recover in a civil action against an employer an amount that is treble the amount of the unpaid wages. Alternatively, an employee may file a written claim with the ICA for unpaid wages against an employer if the amount of such wages does not exceed $5,000 and if such claim is filed within one year of the accrual of such claim. The ICA, on behalf of an employee, may obtain judgment and execution, garnishment, attachment or other available remedies for collection of unpaid wages established by the department's final determination (A.R.S. §§ 23-355, 23 356).

Provisions
1. Increases the threshold of unpaid wages for which an employee may file a claim with the ICA for such wages from $5,000 to $12,000. (Sec. 1)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note

ATTACHMENT 6

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-seventh Legislature - First Regular Session

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1159

DATE March 11, 2025 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Aguilar		✓			
Blackman		✓			
Cavero		✓			
Connolly		✓			
Diaz		✓			
Hendrix		✓			
Villegas		✓			
Wilmeth		✓			
Way, Vice-Chairman		✓			
Weninger, Chairman		✓			
		10	0	0	0

Abby Selvey
COMMITTEE SECRETARY

APPROVED:

JEFF WENINGER, Chairman
MICHAEL WAY, Vice-Chairman

ATTACHMENT 7

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature
First Regular Session

Senate: FIN DPA/SE 7-0-0-0 | 3rd Read 29-0-1-0

SB 1206: banks; special deposits; requirements
Sponsor: Senator Bolick, LD 2
Committee on Commerce

Overview

Adopts the Uniform Laws Commission's (ULC) Uniform Special Deposits Act which allows a beneficiary to receive payments from a special deposit after the occurrence of an event.

History

The ULC provides states with non-partisan legislation that brings clarity and stability to critical areas of state statutory law. The ULC drafted the Uniform Special Deposits Act which addresses deposits at a bank where the identity of the person entitled to payment is not determined until the occurrence of a contingency identified at the time that the deposit is created.

Provisions

Special Deposits

1. Establishes the Uniform Special Deposits Act (Act) which applies to a special deposit under an account agreement that states the intention of the parties to establish a special deposit governed by the Act, regardless of whether a party to the account agreement or a transaction related to the special deposit, or the special deposit itself, has a reasonable relation to this state. (Sec. 1)
2. Specifies a special deposit is:
   a) a deposit of funds in a bank under an account agreement;
   b) for the benefit of at least two beneficiaries, one or more of which may be a depositor;
   c) denominated in a medium of exchange that is currently authorized or adopted by a domestic or foreign government;
   d) for a permissible purpose as stated in the account agreement; and
   e) subject to a contingency. (Sec. 1)
3. Requires a special deposit to serve at least one permissible purpose stated in the account agreement from the creation to the termination of the special deposit. (Sec. 1)
4. Specifies that, prior to termination of a special deposit, if a determination is made that the special deposit no longer satisfies at least one permissible purpose:
   a) certain provisions of the Act cease to apply to any funds deposited in the special deposit; and
   b) a bank may take necessary action, including terminating the special deposit. (Sec. 1)
5. Specifies a depositor or a beneficiary does not have a property interest in a special deposit. (Sec. 1)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note

ATTACHMENT 8

6. Stipulates that, if a bank is obligated to pay a beneficiary, a property interest in the special deposit is only in the right to receive payment and not in the special deposit itself. (Sec. 1)
7. Specifies a special deposit terminates five years after the date it was first funded. (Sec. 1)
8. Stipulates that a bank, upon termination of a special deposit, must pay any remaining balance to the depositor if the bank cannot identify or locate a beneficiary entitled to payment. (Sec. 1)
9. Specifies that a bank that pays the remaining balance of a special deposit to the depositor has no further obligation to the special deposit. (Sec. 1)

Account Agreements

10. Allows the parties of an account agreement to choose a forum in Arizona for settling a dispute regarding a special deposit regardless of whether a party to the account agreement or an associated transaction has a reasonable relation to the state. (Sec. 1)
11. Allows a bank and depositor to amend an account agreement without the consent of the beneficiary if:
    a) the beneficiary is a party to the agreement, and the agreement expressly permits an amendment;
    b) the beneficiary is not a party to the account agreement and the bank and depositor know that the beneficiary has knowledge of the agreement's terms, and the amendment does not adversely and materially affect a payment right of the beneficiary; or
    c) the beneficiary is not a party to the account agreement and the bank and depositor do not know whether the beneficiary has knowledge of the account agreement's terms, and the amendment is made in good faith. (Sec. 1)

Bank Obligations; Payment

12. Requires a bank to pay a beneficiary if there are sufficient actually and finally collected funds in the balance of the special deposit. (Sec. 1)
13. Stipulates a beneficiary may elect to be paid from the available funds or receive a pro rata share of the funds when there is more than one beneficiary if the current funds are insufficient to cover an obligation to pay the beneficiary. (Sec. 1)
14. Adds that the beneficiary's election to be paid from the available funds discharges the bank's obligation to pay and does not constitute an accord and satisfaction regarding another person's obligation to the beneficiary. (Sec. 1)
15. Asserts a bank's obligation to pay a beneficiary as immediately due and payable. (Sec. 1)
16. Provides conditions for which a bank may discharge its obligation to pay a beneficiary. (Sec. 1)
17. Stipulates that if the bank's obligation to pay a beneficiary incurs an obligation of another person, the other person's obligation is discharged if a bank's action would constitute a discharge of the other person's obligation. (Sec. 1)

Bank Duties and Liabilities

18. Asserts a bank does not have a fiduciary duty to any person with respect to a special deposit. (Sec. 1)

19. Specifies a debtor-creditor relationship arises between the bank and a beneficiary when the bank holding the special deposit becomes obligated to pay the beneficiary. (Sec. 1)

20. Asserts a bank that holds a special deposit:
    a) has a duty to a beneficiary to comply with the account agreement and the Act;
    b) is liable to a depositor or a beneficiary for any damages, except for consequential, special or punitive damages, that are caused by the bank's noncompliance with the account agreement or the Act; and
    c) may rely on records that comply with an account agreement to determine whether the bank is obligated to pay a beneficiary. (Sec. 1)

21. Instructs the bank, for account agreements that require payment on presentation of a record, to determine whether the record is sufficient to require payment. (Sec. 1)

22. Specifies the bank, for account agreements that require action by the bank on presentation of a record, is not liable for relying in good faith on the genuineness of the record. (Sec. 1)

23. Asserts the bank is not required to determine the existence of a permissible purpose stated in the agreement. (Sec. 1)

Enforceability of Creditor Process

24. Specifies a creditor process, with respect to a special deposit, is not enforceable against the bank holding the special deposit, unless the creditor process, with respect to the amount the bank is obligated to pay:
    a) is served on the bank;
    b) provides sufficient information that allows a bank to identify the depositor or the beneficiary from the bank's books and records; and
    c) gives the bank reasonable opportunity to act on the creditor process. (Sec. 1)

25. Outlines certain stipulations relating to creditor process creating a right of the creditor against the bank and creating a lien against the beneficiary. (Sec. 1)

Miscellaneous

26. Specifies the Act does not affect:
    a) a right or obligation that relates to a deposit other than a special deposit; or
    b) the voidability of a deposit or transfer that is fraudulent or voidable under the law. (Sec. 1)

27. Specifies which Act provisions may be varied by agreement. (Sec. 1)

28. Deems a provision in an account agreement that substantially excuses liability or limits remedies for failure to perform an obligation as insufficient to vary the effect of the Act. (Sec. 1)

29. Allows a court to enjoin a bank from paying a depositor or beneficiary only if the payment would constitute or facilitate a material fraud with respect to a special deposit. (Sec. 1)

30. Prohibits a bank from exercising a right of recoupment or setoff against a special deposit, except that a bank holding a special deposit may exercise such right against an obligation to pay a beneficiary, even if the bank funds payment from the special deposit. (Sec. 1)

31. Allows an account agreement to authorize the bank to debit a special deposit:
    a) when the bank becomes obligated to pay a beneficiary in an amount that does not exceed the amount necessary to discharge the obligation;

b) for an overdraft fee;
c) for costs incurred by the bank that relate directly to a special deposit; or
d) to reverse an earlier credit posted by the bank to the balance of the special deposit, if the reversal occurs under an event governing mistake and restitution. (Sec. 1)

32. Adds that certain statutes and laws, except to the extent of inconsistences, supplement the Act. (Sec. 1)

33. Instructs a court, in applying and construing the Act, to consider the promotion of uniformity of the law among enacting jurisdictions. (Sec. 1)

34. Specifies the special deposits to which the Act applies. (Sec. 1)

35. Defines pertinent terms. (Sec. 1)

36. Contains a severability clause. (Sec. 1)

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-seventh Legislature - First Regular Session

ROLL CALL VOTE

COMMITTEE ON Commerce BILL NO. SB 1206

DATE March 11, 2025 MOTION: DP

	PASS	AYE	NAY	PRESENT	ABSENT
Aguilar		✓			
Blackman		✓			
Cavero			✓		
Connolly		✓			
Diaz		✓			
Hendrix		✓			
Villegas			✓		
Wilmeth		✓			
Way, Vice-Chairman		✓			
Weninger, Chairman		✓			
		8	2	0	0

Abby Selvey
COMMITTEE SECRETARY

APPROVED:

JEFF WENINGER, Chairman
MICHAEL WAY, Vice-Chairman

ATTACHMENT 9