

REFERENCE TITLE: financial services; social credit score

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

## **SB 1337**

Introduced by  
Senators Carroll: Borrelli, Gowan, Kerr, Petersen, Shamp, Shope;  
Representatives Bliss, Payne, Peña

AN ACT

AMENDING TITLE 44, CHAPTER 11, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 12.1; RELATING TO FINANCIAL SERVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 44, chapter 11, Arizona Revised Statutes, is  
3 amended by adding article 12.1, to read:

4 ARTICLE 12.1. FINANCIAL SERVICES

5 44-1781. Definitions

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "DISCRIMINATE IN THE PROVISION OF FINANCIAL SERVICES":

8 (a) MEANS USING A SOCIAL CREDIT SCORE TO DIRECTLY OR INDIRECTLY  
9 DECLINE TO PROVIDE FULL AND EQUAL ENJOYMENT IN THE PROVISION OF FINANCIAL  
10 SERVICES.

11 (b) INCLUDES TERMINATING OR RESTRICTING FINANCIAL SERVICES OR  
12 REFUSING TO PROVIDE FINANCIAL SERVICES.

13 2. "FINANCIAL INSTITUTION":

14 (a) MEANS EITHER:

15 (i) A BANK THAT HAS TOTAL ASSETS OVER \$100,000,000,000.

16 (ii) A PAYMENT PROCESSOR, CREDIT CARD COMPANY, PAYMENT SERVICE  
17 PROVIDER OR PAYMENT GATEWAY THAT HAS PROCESSED MORE THAN \$10,000,000,000  
18 IN TRANSACTIONS IN THE LAST CALENDAR YEAR.

19 (b) INCLUDES ANY AFFILIATE OR SUBSIDIARY COMPANY EVEN IF THAT  
20 COMPANY IS ALSO A FINANCIAL INSTITUTION.

21 3. "FINANCIAL SERVICE" MEANS ANY FINANCIAL PRODUCT OR SERVICE  
22 OFFERED BY A FINANCIAL INSTITUTION.

23 4. "SOCIAL CREDIT SCORE":

24 (a) MEANS ANY ANALYSIS, RATING, SCORING, LIST OR TABULATION THAT  
25 EVALUATES ANY OF THE FOLLOWING:

26 (i) ANY PERSON'S EXERCISE OF RELIGION THAT IS PROTECTED FROM  
27 GOVERNMENT INTERFERENCE BY THE FIRST AMENDMENT OF THE UNITED STATES  
28 CONSTITUTION OR ANY FEDERAL OR STATE LAW, INCLUDING ALL ASPECTS OF  
29 RELIGIOUS OBSERVANCE AND PRACTICE, AS WELL AS BELIEF AND AFFILIATION.

30 (ii) ANY PERSON'S SPEECH THAT IS PROTECTED FROM GOVERNMENT  
31 INTERFERENCE BY THE FIRST AMENDMENT OF THE UNITED STATES CONSTITUTION OR  
32 ANY FEDERAL OR STATE LAW, INCLUDING THE PERSON'S OPINIONS, SPEECH OR OTHER  
33 EXPRESSIVE ACTIVITIES, INCLUDING THE LAWFUL PRESERVATION OF PRIVACY  
34 REGARDING THOSE ACTIVITIES, SUCH AS THE REFUSAL TO DISCLOSE LOBBYING,  
35 POLITICAL ACTIVITY OR CONTRIBUTIONS BEYOND WHAT IS REQUIRED BY APPLICABLE  
36 STATE AND FEDERAL LAW.

37 (iii) THE FAILURE OR REFUSAL TO ADOPT ANY TARGETS OR DISCLOSURES  
38 RELATED TO GREENHOUSE GAS EMISSIONS BEYOND WHAT IS REQUIRED BY APPLICABLE  
39 STATE AND FEDERAL LAW.

40 (iv) THE FAILURE OR REFUSAL TO CONDUCT ANY TYPE OF RACIAL,  
41 DIVERSITY OR GENDER AUDIT OR DISCLOSURE OR TO PROVIDE ANY SORT OF QUOTA,  
42 PREFERENCE OR BENEFIT BASED, IN WHOLE OR IN PART, ON RACE, DIVERSITY OR  
43 GENDER.

1 (v) THE FAILURE OR REFUSAL TO FACILITATE OR ASSIST EMPLOYEES IN  
2 OBTAINING ABORTIONS OR GENDER REASSIGNMENT SERVICES.

3 (vi) EXCEPT AS PROVIDED IN SUBDIVISION (b) OF THIS PARAGRAPH,  
4 PARTICIPATION IN ANY LAWFUL BUSINESS ASSOCIATIONS OR BUSINESS ACTIVITIES,  
5 INCLUDING BUSINESS ACTIVITIES WITH AN ENTITY THAT ENGAGES IN THE  
6 EXPLORATION, PRODUCTION, USE, TRANSPORTATION, SALE OR MANUFACTURING OF  
7 FOSSIL FUEL SOURCES OR FOSSIL FUEL-BASED ENERGY, AND BUSINESS ACTIVITIES  
8 WITH AN ENTITY THAT ENGAGES IN THE MANUFACTURING, DISTRIBUTION, WHOLESALE,  
9 SUPPLY OR RETAIL OF FIREARMS, FIREARMS ACCESSORIES OR AMMUNITION.

10 (b) DOES NOT INCLUDE THE FINANCIAL INSTITUTION EVALUATING  
11 QUANTIFIABLE FINANCIAL RISKS OF A PERSON BASED ON IMPARTIAL,  
12 FINANCIAL-RISK-BASED STANDARDS THAT INCLUDES ACTIVITIES DESCRIBED IN  
13 SUBDIVISION (a), ITEM (vi) OF THIS PARAGRAPH IF THE STANDARDS ARE  
14 ESTABLISHED IN ADVANCE BY THE FINANCIAL INSTITUTION AND PUBLICLY DISCLOSED  
15 TO CUSTOMERS AND POTENTIAL CUSTOMERS.

16 44-1782. Discrimination prohibited; explanation required on  
17 request

18 A. A FINANCIAL INSTITUTION MAY NOT DO EITHER OF THE FOLLOWING:

- 19 1. DISCRIMINATE IN THE PROVISION OF FINANCIAL SERVICES TO A PERSON.  
20 2. AGREE, CONSPIRE OR COORDINATE, DIRECTLY OR INDIRECTLY, INCLUDING  
21 THROUGH ANY INTERMEDIARY OR THIRD PARTY, WITH ANOTHER PERSON OR GROUP OF  
22 PERSONS, TO ENGAGE IN DISCRIMINATION THAT IS DESCRIBED IN PARAGRAPH 1 OF  
23 THIS SUBSECTION.

24 B. IF A FINANCIAL INSTITUTION RESTRICTS OR TERMINATES SERVICE TO A  
25 CUSTOMER OR REFUSES TO PROVIDE SERVICE TO A CUSTOMER, THAT CUSTOMER MAY  
26 REQUEST A STATEMENT OF SPECIFIC REASONS WITHIN NINETY DAYS AFTER RECEIVING  
27 NOTICE OF THE RESTRICTION OF SERVICE OR THE TERMINATION OF SERVICE OR THE  
28 REFUSAL TO PROVIDE SERVICE. THE CUSTOMER MAY REQUEST THE STATEMENT FROM A  
29 CUSTOMER SERVICE REPRESENTATIVE OR DESIGNATED ACCOUNT REPRESENTATIVE BY  
30 TELEPHONE, UNITED STATES MAIL OR EMAIL. THE FINANCIAL INSTITUTION MUST  
31 TRANSMIT THE STATEMENT OF SPECIFIC REASONS BY UNITED STATES MAIL AND EMAIL  
32 WITHIN FOURTEEN DAYS AFTER RECEIVING THE CUSTOMER'S REQUEST. THE  
33 STATEMENT OF SPECIFIC REASONS SHALL INCLUDE:

34 1. A DETAILED EXPLANATION OF THE BASIS FOR THE DENIAL OR  
35 TERMINATION OF SERVICE, INCLUDING A DESCRIPTION OF ANY OF THE CUSTOMER'S  
36 SPEECH, RELIGIOUS EXERCISE, BUSINESS ACTIVITY WITH A PARTICULAR INDUSTRY  
37 OR OTHER CONDUCT THAT WAS, IN WHOLE OR IN PART, THE BASIS OF THE FINANCIAL  
38 INSTITUTION'S DENIAL OR TERMINATION OF SERVICE.

39 2. A COPY OF THE TERMS OF SERVICE AGREED TO BY THE CUSTOMER AND THE  
40 FINANCIAL INSTITUTION.

41 3. A CITATION TO THE SPECIFIC PROVISIONS OF THE TERMS OF SERVICE ON  
42 WHICH THE FINANCIAL INSTITUTION RELIED TO RESTRICT OR TERMINATE SERVICE OR  
43 REFUSE TO PROVIDE SERVICE.

1           44-1783. Enforcement; right of civil action

2           A. ANY VIOLATION OF THIS ARTICLE IS AN UNLAWFUL PRACTICE IN  
3 VIOLATION OF SECTION 44-1522. THE ATTORNEY GENERAL MAY INVESTIGATE AND  
4 TAKE APPROPRIATE ACTION AS PRESCRIBED BY CHAPTER 10, ARTICLE 7 OF THIS  
5 TITLE.

6           B. ANY PERSON THAT IS HARMED BY A VIOLATION OF THIS ARTICLE MAY  
7 FILE A CIVIL ACTION TO OBTAIN APPROPRIATE RELIEF.