

REFERENCE TITLE: certifying organizations; secretary of state

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

SB 1510

Introduced by
Senators Shamp: Carroll, Gowan

AN ACT

AMENDING TITLE 41, CHAPTER 1, ARTICLE 2, ARIZONA REVISED STATUTES, BY
ADDING SECTION 41-134; RELATING TO OCCUPATIONAL REGISTRATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section. 1. Title 41, chapter 1, article 2, Arizona Revised
3 Statutes, is amended by adding section 41-134, to read:

4 41-134. Private certifying organizations; voluntary
5 registration; secretary of state; violation;
6 definitions

7 A. IN ADDITION TO ANY LICENSING REQUIREMENTS PRESCRIBED BY LAW, A
8 PRIVATE CERTIFYING ORGANIZATION MAY VOLUNTARILY REGISTER WITH THE
9 SECRETARY OF STATE. A PRIVATE CERTIFYING ORGANIZATION SHALL PROVIDE THE
10 SECRETARY OF STATE WITH THE PRIVATE CERTIFYING ORGANIZATION'S NAME,
11 ADDRESS AND OFFICERS AND THE NAMES OF INDIVIDUALS WHO ARE PRIVATELY
12 CERTIFIED BY THE PRIVATE CERTIFYING ORGANIZATION. THE SECRETARY OF STATE
13 MAY IMPOSE A REGISTRATION FEE AND MAY ADOPT RULES AND FORMS TO FACILITATE
14 THE REGISTRATION.

15 B. A PARTICIPATING PRIVATE CERTIFYING ORGANIZATION SHALL DO ALL OF
16 THE FOLLOWING:

17 1. PUBLISH ON A PUBLICLY ACCESSIBLE WEBSITE ALL OF THE FOLLOWING:

18 (a) THE SCOPE OF PRACTICE FOR EACH LAWFUL OCCUPATION THAT THE
19 PARTICIPATING PRIVATE CERTIFYING ORGANIZATION CERTIFIES.

20 (b) THE QUALIFICATIONS THAT AN INDIVIDUAL MUST POSSESS TO BECOME
21 CERTIFIED BY THE PARTICIPATING PRIVATE CERTIFYING ORGANIZATION.

22 (c) OTHER FACTORS THE PARTICIPATING PRIVATE CERTIFYING ORGANIZATION
23 USES TO CERTIFY INDIVIDUALS, WHICH MAY INCLUDE CONSUMER COMMENTS, RANKINGS
24 AND OTHER CONSUMER-INITIATED ELEMENTS.

25 (d) THE NAMES, BUSINESS ADDRESSES AND WEBSITES OF ALL INDIVIDUALS
26 WHO ARE PRIVATELY CERTIFIED BY THE PARTICIPATING PRIVATE CERTIFYING
27 ORGANIZATION.

28 (e) THE STATES WHERE THE PARTICIPATING PRIVATE CERTIFYING
29 ORGANIZATION IS REGISTERED.

30 2. REQUIRE QUALIFICATIONS THAT ARE RELATED TO THE LAWFUL OCCUPATION
31 FOR WHICH AN INDIVIDUAL IS PRIVATELY CERTIFIED.

32 3. VERIFY AN INDIVIDUAL'S QUALIFICATIONS BEFORE PRIVATE
33 CERTIFICATION AND PERIODICALLY VERIFY THAT THE PRIVATELY CERTIFIED
34 INDIVIDUAL REMAINS ELIGIBLE FOR PRIVATE CERTIFICATION.

35 4. REQUIRE A PRIVATELY CERTIFIED INDIVIDUAL TO PROMINENTLY DISPLAY
36 THE PRIVATE CERTIFICATION AND MAKE AVAILABLE MATERIALS ABOUT THE
37 QUALIFICATIONS AND OTHER FACTORS REQUIRED FOR PRIVATE CERTIFICATION ON
38 REQUEST.

39 5. HAVE AT LEAST FIFTY PRIVATELY CERTIFIED INDIVIDUALS IN ACTIVE
40 PRACTICE IN THE UNITED STATES AFTER ONE YEAR OF APPLYING FOR REGISTRATION
41 WITH THE SECRETARY OF STATE.

42 C. A PARTICIPATING PRIVATE CERTIFYING ORGANIZATION MAY REQUIRE
43 INDIVIDUALS IT PRIVATELY CERTIFIES TO OBTAIN AND MAINTAIN A BOND FOR
44 LIABILITY THAT IS RELATED TO THE PRACTICE OF THE INDIVIDUAL'S PRIVATELY
45 CERTIFIED LAWFUL OCCUPATION.

1 D. A PARTICIPATING PRIVATE CERTIFYING ORGANIZATION MAY REQUIRE A
2 PRIVATELY CERTIFIED INDIVIDUAL TO PAY ANY INITIAL AND ONGOING FEES.

3 E. NOTWITHSTANDING ANY OTHER LAW, AN INDIVIDUAL WHO IS CERTIFIED BY
4 A PARTICIPATING PRIVATE CERTIFYING ORGANIZATION MAY ENGAGE IN THE LAWFUL
5 OCCUPATION FOR WHICH THAT INDIVIDUAL IS PRIVATELY CERTIFIED.

6 F. THIS STATE OR A POLITICAL SUBDIVISION OF THIS STATE MAY NOT
7 PROHIBIT OR IMPOSE A PENALTY, FINE OR FEE ON AN INDIVIDUAL WHO IS
8 PRIVATELY CERTIFIED BY A PARTICIPATING PRIVATE CERTIFYING ORGANIZATION FOR
9 ENGAGING IN A LAWFUL OCCUPATION IN COMPLIANCE WITH THIS SECTION.

10 G. AN INDIVIDUAL WHO IS PRIVATELY CERTIFIED BY A PARTICIPATING
11 PRIVATE CERTIFYING ORGANIZATION AND WHO IS NOT LICENSED, REGISTERED OR
12 CERTIFIED BY THIS STATE OR A POLITICAL SUBDIVISION OF THIS STATE MAY NOT
13 USE THE TERMS LICENSED, CERTIFIED OR REGISTERED TO DESCRIBE THE
14 INDIVIDUAL'S CREDENTIAL OR ANY WORDS, TITLES, ABBREVIATIONS OR LETTERS
15 THAT WOULD INDUCE A REASONABLY KNOWLEDGEABLE CONSUMER OF SUCH SERVICES TO
16 BELIEVE THE PRIVATELY CERTIFIED INDIVIDUAL USING THEM IS OCCUPATIONALLY
17 REGULATED BY THIS STATE OR A POLITICAL SUBDIVISION OF THIS STATE.

18 H. AN INDIVIDUAL WHO IS PRIVATELY CERTIFIED BY A PARTICIPATING
19 PRIVATE CERTIFYING ORGANIZATION MAY USE THE TERM PRIVATELY CERTIFIED TO
20 DESCRIBE THE INDIVIDUAL'S CREDENTIALS OR AS PART OF A TITLE OR
21 DESIGNATION.

22 I. AN INDIVIDUAL WHO KNOWINGLY AND FALSELY CLAIMS TO BE PRIVATELY
23 CERTIFIED PURSUANT TO THIS SECTION IS GUILTY OF FRAUD AND SUBJECT TO ANY
24 PENALTIES UNDER THE DECEPTIVE TRADE PRACTICES LAWS OF THIS STATE.

25 J. THE SECRETARY OF STATE SHALL ENFORCE THIS SECTION AND MAY
26 TERMINATE THIS STATE'S REGISTRATION OF THE PARTICIPATING PRIVATE
27 CERTIFYING ORGANIZATION FOR ANY REASON THE SECRETARY OF STATE DEEMS
28 NECESSARY.

29 K. THE PARTICIPATING PRIVATE CERTIFYING ORGANIZATION THAT CONTINUES
30 TO OPERATE NINETY DAYS AFTER FAILING TO MEET THE REQUIREMENTS PURSUANT TO
31 SUBSECTION L, PARAGRAPH 4 OF THIS SECTION IS GUILTY OF FRAUD AND SUBJECT
32 TO A FINE UNDER THE DECEPTIVE TRADE PRACTICES LAWS OF THIS STATE.

33 L. THIS SECTION DOES NOT LIMIT THIS STATE'S OR A POLITICAL
34 SUBDIVISION OF THIS STATE'S AUTHORITY TO ENACT AND ENFORCE LAWS RELATING
35 TO THE FOLLOWING:

- 36 1. A BUSINESS LICENSE OR PERMIT.
- 37 2. A FACILITY LICENSE.
- 38 3. A BUILDING PERMIT OR LAND USE REGULATION.

39 4. PUBLIC HEALTH, SAFETY AND ENVIRONMENTAL REGULATIONS THROUGH THE
40 ENFORCEMENT OF REGULATIONS OTHER THAN OCCUPATIONAL LICENSES, INCLUDING THE
41 SALE AND USE OF SUBSTANCES THAT ENDANGER PUBLIC HEALTH AND SAFETY IF
42 MISHANDLED OR IMPROPERLY DISPENSED, INCLUDING CHEMICALS, EXPLOSIVES AND
43 PHARMACEUTICALS.

1 M. THIS CHAPTER DOES NOT DO ANY OF THE FOLLOWING:
2 1. CHANGE THIS STATE'S OR A POLITICAL SUBDIVISION OF THIS STATE'S
3 SOLE AUTHORITY TO REQUIRE AN INDIVIDUAL TO OBTAIN AND MAINTAIN A
4 GOVERNMENT-ISSUED DRIVER LICENSE AND RELATED INSURANCE FOR PERSONAL OR
5 COMMERCIAL VEHICLE USE.
6 2. LIMIT DAMAGES IN A PRIVATE CIVIL ACTION AGAINST AN INDIVIDUAL
7 WHO IS PRIVATELY CERTIFIED OR WHO KNOWINGLY AND FALSELY CLAIMS TO BE
8 PRIVATELY CERTIFIED.
9 3. REQUIRE A PRIVATE PARTY OR THIS STATE OR A POLITICAL SUBDIVISION
10 OF THIS STATE TO DO BUSINESS WITH AN INDIVIDUAL WHO IS NOT LICENSED,
11 CERTIFIED OR REGISTERED WITH THIS STATE OR A POLITICAL SUBDIVISION OF THIS
12 STATE.
13 4. CREATE A CAUSE OF ACTION AGAINST A PRIVATE PARTY OR THIS STATE
14 OR A POLITICAL SUBDIVISION OF THIS STATE.
15 5. ALLOW FOR PRIVATE CERTIFICATION OF OCCUPATIONS REGULATED BY THE
16 FEDERAL GOVERNMENT OR REQUIRED BY FEDERAL LAW TO BE OCCUPATIONALLY
17 LICENSED BY THIS STATE OR A POLITICAL SUBDIVISION OF THIS STATE.
18 6. REQUIRE A PRIVATE CERTIFYING ORGANIZATION TO PARTICIPATE AND
19 REGISTER WITH THIS STATE OR A POLITICAL SUBDIVISION OF THIS STATE PURSUANT
20 TO THIS SECTION.
21 7. INCREASE THE AUTHORITY OF THIS STATE OR A POLITICAL SUBDIVISION
22 OF THIS STATE TO REGULATE NONPARTICIPATING PRIVATE CERTIFYING
23 ORGANIZATIONS.
24 8. REQUIRE DOCTORS AND OTHER MEDICAL PROFESSIONAL TO OBTAIN
25 OPERATING ROOM PRIVILEGES OR OTHER CREDENTIALS FROM THIS STATE OR REQUIRE
26 HOSPITALS OR CLINICS TO PERFORM SURGERY OR AN OPERATION.
27 9. REDUCE THE AUTHORITY OF THE ARIZONA SUPREME COURT TO REGULATE
28 WHO MAY ISSUE SUBPOENAS, SERVE DISCOVERY AND LITIGATE CASES BEFORE JUDGES
29 IN THIS STATE.
30 N. FOR THE PURPOSES OF THIS SECTION:
31 1. "LAWFUL OCCUPATION" MEANS A COURSE OF CONDUCT, PURSUIT OR
32 PROFESSION THAT INCLUDES THE SALE OF GOODS OR SERVICES THAT IS NOT ITSELF
33 ILLEGAL IRRESPECTIVE OF AN OCCUPATIONAL REGULATION.
34 2. "OCCUPATIONAL REGULATION" MEANS A STATUTE, ORDINANCE, RULE OR
35 OTHER REQUIREMENT IN LAW THAT REQUIRES AN INDIVIDUAL TO POSSESS CERTAIN
36 PERSONAL QUALIFICATIONS TO WORK IN A LAWFUL OCCUPATION.
37 3. "PARTICIPATING PRIVATE CERTIFYING ORGANIZATION" MEANS A PRIVATE
38 CERTIFYING ORGANIZATION THAT REGISTERS AND MEETS THE CRITERIA SPECIFIED IN
39 THIS SECTION.
40 4. "PRIVATE CERTIFICATION" MEANS A NONTRANSFERABLE RECOGNITION BY A
41 PRIVATE CERTIFYING ORGANIZATION THAT AN INDIVIDUAL MEETS QUALIFICATIONS
42 DETERMINED BY THE PRIVATE CERTIFYING ORGANIZATION.
43 5. "PRIVATELY CERTIFIED" MEANS A DESIGNATED TITLE THAT AN
44 INDIVIDUAL MAY USE IF THE INDIVIDUAL IS CERTIFIED BY A PARTICIPATING
45 PRIVATE CERTIFYING ORGANIZATION.

1 6. "PRIVATE CERTIFYING ORGANIZATION" MEANS A NONGOVERNMENTAL
2 ORGANIZATION THAT ALLOWS ANY INDIVIDUAL TO APPLY FOR PRIVATE CERTIFICATION
3 REGARDLESS OF THE INDIVIDUAL'S RACE, CREED, COLOR, ETHNICITY, NATIONAL
4 ORIGIN, RELIGION, SEX, SEXUAL ORIENTATION OR MARITAL STATUS.

5 7. "QUALIFICATIONS" MEANS CRITERIA RELATED TO AN INDIVIDUAL'S
6 PERSONAL BACKGROUND THAT MAY INCLUDE COMPLETION OF AN APPROVED EDUCATIONAL
7 PROGRAM, SATISFACTORY PERFORMANCE ON AN EXAMINATION, WORK EXPERIENCE,
8 CRIMINAL HISTORY, MORAL STANDING, COMPLETION OF CONTINUING EDUCATION, A
9 STANDARD OF ETHICAL BEHAVIOR OR OTHER CRITERIA AS DETERMINED BY A PRIVATE
10 CERTIFYING ORGANIZATION TO QUALIFY THE INDIVIDUAL TO PERFORM A SERVICE TO
11 AN ACCEPTABLE STANDARD AS DETERMINED BY THE PRIVATE CERTIFYING
12 ORGANIZATION.