

REFERENCE TITLE: genetic sequencing; insurance; prohibition

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
First Regular Session  
2025

## **HB 2693**

Introduced by  
Representative Biasiucci

### AN ACT

AMENDING TITLE 20, CHAPTER 4, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 20-826.05; AMENDING TITLE 20, CHAPTER 4, ARTICLE 9, ARIZONA REVISED STATUTES, BY ADDING SECTION 20-1057.20; AMENDING TITLE 20, CHAPTER 6, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 20-1342.08; AMENDING TITLE 20, CHAPTER 6, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 20-1404.06; AMENDING TITLE 36, CHAPTER 4, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-407.04; AMENDING TITLE 36, CHAPTER 29, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2907.16; RELATING TO HEALTH INSURANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 20, chapter 4, article 3, Arizona Revised  
3 Statutes, is amended by adding section 20-826.05, to read:

4 20-826.05. Genetic sequencing; insurance coverage  
5 prohibition; applicability; definitions

6 A. A SUBSCRIPTION CONTRACT MAY LIMIT COVERAGE TO A SUBSCRIBER FOR  
7 GENETIC SEQUENCING IF THE GENETIC SEQUENCING IS PERFORMED ON A DEVICE THAT  
8 IS EITHER OF THE FOLLOWING:

9 1. PRODUCED BY A COMPANY THAT IS DOMICILED IN A FOREIGN ADVERSARY.

10 2. PRODUCED BY A COMPANY THAT IS OWNED OR SUBSTANTIALLY CONTROLLED  
11 BY A COMPANY THAT IS DOMICILED IN A FOREIGN ADVERSARY.

12 B. THIS SECTION DOES NOT:

13 1. REQUIRE COVERAGE FOR GENETIC SEQUENCING.

14 2. LIMIT A HOSPITAL SERVICE CORPORATION OR MEDICAL SERVICE  
15 CORPORATION FROM DENYING COVERAGE FOR ANY VALID REASON.

16 C. FOR THE PURPOSES OF THIS SECTION:

17 1. "COMPANY" MEANS A FOR-PROFIT SOLE PROPRIETORSHIP, ORGANIZATION,  
18 ASSOCIATION, CORPORATION, PARTNERSHIP, JOINT VENTURE, LIMITED PARTNERSHIP,  
19 LIMITED LIABILITY PARTNERSHIP, LIMITED LIABILITY COMPANY, INCLUDING A  
20 WHOLLY OWNED SUBSIDIARY, MAJORITY OWNED SUBSIDIARY, PARENT COMPANY OR  
21 AFFILIATE OF THE ENTITIES OR BUSINESS ASSOCIATIONS OR A NONPROFIT  
22 ORGANIZATION.

23 2. "DOMICILED" MEANS EITHER OF THE FOLLOWING:

24 (a) THE COUNTRY IN WHICH A COMPANY IS REGISTERED.

25 (b) THE LOCATION IN WHICH THE COMPANY'S AFFAIRS ARE PRIMARILY  
26 COMPLETED OR WHERE A MAJORITY OF THE OWNERSHIP SHARES ARE HELD.

27 3. "FOREIGN ADVERSARY":

28 (a) MEANS THE PEOPLE'S REPUBLIC OF CHINA, RUSSIA, IRAN, NORTH  
29 KOREA, CUBA, VENEZUELA OR SYRIA OR THE HONG KONG SPECIAL ADMINISTRATIVE  
30 REGION.

31 (b) INCLUDES:

32 (i) A COUNTRY DESIGNATED AS A FOREIGN ADVERSARY BY THE FEDERAL  
33 GOVERNMENT.

34 (ii) ANY AGENT OR ENTITY UNDER SIGNIFICANT CONTROL OF A FOREIGN  
35 ADVERSARY.

36 4. "GENETIC SEQUENCING" MEANS ANY METHOD TO DETERMINE THE IDENTITY  
37 AND ORDER OF NUCLEOTIDE BASES IN THE HUMAN GENOME.

38 Sec. 2. Title 20, chapter 4, article 9, Arizona Revised Statutes,  
39 is amended by adding section 20-1057.20, to read:

40 20-1057.20. Genetic sequencing; insurance coverage  
41 prohibition; applicability; definitions

42 A. AN EVIDENCE OF COVERAGE MAY LIMIT COVERAGE TO AN ENROLLEE FOR  
43 GENETIC SEQUENCING IF THE GENETIC SEQUENCING IS PERFORMED ON A DEVICE THAT  
44 IS EITHER OF THE FOLLOWING:

45 1. PRODUCED BY A COMPANY THAT IS DOMICILED IN A FOREIGN ADVERSARY.

- 1           2. PRODUCED BY A COMPANY THAT IS OWNED OR SUBSTANTIALLY CONTROLLED  
2 BY A COMPANY THAT IS DOMICILED IN A FOREIGN ADVERSARY.
- 3           B. THIS SECTION DOES NOT:
- 4           1. REQUIRE COVERAGE FOR GENETIC SEQUENCING.
- 5           2. LIMIT A HEALTH CARE SERVICES ORGANIZATION FROM DENYING COVERAGE  
6 FOR ANY VALID REASON.
- 7           C. FOR THE PURPOSES OF THIS SECTION:
- 8           1. "COMPANY" MEANS A FOR PROFIT SOLE PROPRIETORSHIP, ORGANIZATION,  
9 ASSOCIATION, CORPORATION, PARTNERSHIP, JOINT VENTURE, LIMITED PARTNERSHIP,  
10 LIMITED LIABILITY PARTNERSHIP, LIMITED LIABILITY COMPANY, INCLUDING A  
11 WHOLLY OWNED SUBSIDIARY, MAJORITY OWNED SUBSIDIARY, PARENT COMPANY OR  
12 AFFILIATE OF THE ENTITIES OR BUSINESS ASSOCIATIONS OR A NONPROFIT  
13 ORGANIZATION.
- 14           2. "DOMICILED" MEANS EITHER OF THE FOLLOWING:
- 15           (a) THE COUNTRY IN WHICH A COMPANY IS REGISTERED.
- 16           (b) THE LOCATION IN WHICH THE COMPANY'S AFFAIRS ARE PRIMARILY  
17 COMPLETED OR WHERE A MAJORITY OF THE OWNERSHIP SHARES ARE HELD.
- 18           3. "FOREIGN ADVERSARY":
- 19           (a) MEANS THE PEOPLE'S REPUBLIC OF CHINA, RUSSIA, IRAN, NORTH  
20 KOREA, CUBA, VENEZUELA OR SYRIA OR THE HONG KONG SPECIAL ADMINISTRATIVE  
21 REGION.
- 22           (b) INCLUDES:
- 23           (i) A COUNTRY DESIGNATED AS A FOREIGN ADVERSARY BY THE FEDERAL  
24 GOVERNMENT.
- 25           (ii) ANY AGENT OR ENTITY UNDER SIGNIFICANT CONTROL OF A FOREIGN  
26 ADVERSARY.
- 27           4. "GENETIC SEQUENCING" MEANS ANY METHOD TO DETERMINE THE IDENTITY  
28 AND ORDER OF NUCLEOTIDE BASES IN THE HUMAN GENOME.
- 29           Sec. 3. Title 20, chapter 6, article 4, Arizona Revised Statutes,  
30 is amended by adding section 20-1342.08, to read:
- 31           20-1342.08. Genetic sequencing; insurance coverage  
32 prohibition; applicability; definitions
- 33           A. A DISABILITY INSURANCE POLICY MAY LIMIT COVERAGE TO AN INSURED  
34 FOR GENETIC SEQUENCING IF THE GENETIC SEQUENCING IS PERFORMED ON A DEVICE  
35 THAT IS EITHER OF THE FOLLOWING:
- 36           1. PRODUCED BY A COMPANY THAT IS DOMICILED IN A FOREIGN ADVERSARY.
- 37           2. PRODUCED BY A COMPANY THAT IS OWNED OR SUBSTANTIALLY CONTROLLED  
38 BY A COMPANY THAT IS DOMICILED IN A FOREIGN ADVERSARY.
- 39           B. THIS SECTION DOES NOT:
- 40           1. REQUIRE COVERAGE FOR GENETIC SEQUENCING.
- 41           2. LIMIT A DISABILITY INSURER FROM DENYING COVERAGE FOR ANY VALID  
42 REASON.
- 43           C. FOR THE PURPOSES OF THIS SECTION:

1           1. "COMPANY" MEANS A FOR-PROFIT SOLE PROPRIETORSHIP, ORGANIZATION,  
2 ASSOCIATION, CORPORATION, PARTNERSHIP, JOINT VENTURE, LIMITED PARTNERSHIP,  
3 LIMITED LIABILITY PARTNERSHIP, LIMITED LIABILITY COMPANY, INCLUDING A  
4 WHOLLY OWNED SUBSIDIARY, MAJORITY OWNED SUBSIDIARY, PARENT COMPANY OR  
5 AFFILIATE OF THE ENTITIES OR BUSINESS ASSOCIATIONS OR A NONPROFIT  
6 ORGANIZATION.

7           2. "DOMICILED" MEANS EITHER OF THE FOLLOWING:

8           (a) THE COUNTRY IN WHICH A COMPANY IS REGISTERED.

9           (b) THE LOCATION IN WHICH THE COMPANY'S AFFAIRS ARE PRIMARILY  
10 COMPLETED OR WHERE A MAJORITY OF THE OWNERSHIP SHARES ARE HELD.

11          3. "FOREIGN ADVERSARY":

12          (a) MEANS THE PEOPLE'S REPUBLIC OF CHINA, RUSSIA, IRAN, NORTH  
13 KOREA, CUBA, VENEZUELA OR SYRIA OR THE HONG KONG SPECIAL ADMINISTRATIVE  
14 REGION.

15          (b) INCLUDES:

16          (i) A COUNTRY DESIGNATED AS A FOREIGN ADVERSARY BY THE FEDERAL  
17 GOVERNMENT.

18          (ii) ANY AGENT OR ENTITY UNDER SIGNIFICANT CONTROL OF A FOREIGN  
19 ADVERSARY.

20          4. "GENETIC SEQUENCING" MEANS ANY METHOD TO DETERMINE THE IDENTITY  
21 AND ORDER OF NUCLEOTIDE BASES IN THE HUMAN GENOME.

22          Sec. 4. Title 20, chapter 6, article 5, Arizona Revised Statutes,  
23 is amended by adding section 20-1404.06, to read:

24          20-1404.06. Genetic sequencing; insurance coverage  
25 prohibition; applicability; definitions

26          A. A GROUP OR BLANKET DISABILITY INSURANCE POLICY MAY LIMIT  
27 COVERAGE TO AN INSURED FOR GENETIC SEQUENCING IF THE GENETIC SEQUENCING IS  
28 PERFORMED ON A DEVICE THAT IS EITHER OF THE FOLLOWING:

29           1. PRODUCED BY A COMPANY THAT IS DOMICILED IN A FOREIGN ADVERSARY.

30           2. PRODUCED BY A COMPANY THAT IS OWNED OR SUBSTANTIALLY CONTROLLED  
31 BY A COMPANY THAT IS DOMICILED IN A FOREIGN ADVERSARY.

32          B. THIS SECTION DOES NOT:

33           1. REQUIRE COVERAGE FOR GENETIC.

34           2. LIMIT A GROUP OR BLANKET DISABILITY INSURER FROM DENYING  
35 COVERAGE FOR ANY VALID REASON.

36          C. FOR THE PURPOSES OF THIS SECTION:

37           1. "COMPANY" MEANS A FOR-PROFIT SOLE PROPRIETORSHIP, ORGANIZATION,  
38 ASSOCIATION, CORPORATION, PARTNERSHIP, JOINT VENTURE, LIMITED PARTNERSHIP,  
39 LIMITED LIABILITY PARTNERSHIP, LIMITED LIABILITY COMPANY, INCLUDING A  
40 WHOLLY OWNED SUBSIDIARY, MAJORITY OWNED SUBSIDIARY, PARENT COMPANY OR  
41 AFFILIATE OF THE ENTITIES OR BUSINESS ASSOCIATIONS OR A NONPROFIT  
42 ORGANIZATION.

43           2. "DOMICILED" MEANS EITHER OF THE FOLLOWING:

44           (a) THE COUNTRY IN WHICH A COMPANY IS REGISTERED.

1 (b) THE LOCATION IN WHICH THE COMPANY'S AFFAIRS ARE PRIMARILY  
2 COMPLETED OR WHERE A MAJORITY OF THE OWNERSHIP SHARES ARE HELD.

3 3. "FOREIGN ADVERSARY":

4 (a) MEANS THE PEOPLE'S REPUBLIC OF CHINA, RUSSIA, IRAN, NORTH  
5 KOREA, CUBA, VENEZUELA OR SYRIA OR THE HONG KONG SPECIAL ADMINISTRATIVE  
6 REGION.

7 (b) INCLUDES:

8 (i) A COUNTRY DESIGNATED AS A FOREIGN ADVERSARY BY THE FEDERAL  
9 GOVERNMENT.

10 (ii) ANY AGENT OR ENTITY UNDER SIGNIFICANT CONTROL OF A FOREIGN  
11 ADVERSARY.

12 4. "GENETIC SEQUENCING" MEANS ANY METHOD TO DETERMINE THE IDENTITY  
13 AND ORDER OF NUCLEOTIDE BASES IN THE HUMAN GENOME.

14 Sec. 5. Title 36, chapter 4, article 1, Arizona Revised Statutes,  
15 is amended by adding section 36-407.04, to read:

16 36-407.04. Prohibition on certain genetic sequencers;  
17 compliance certification; penalties; storage;  
18 definition

19 A. A HEALTH CARE INSTITUTION OR RESEARCH FACILITY SHALL NOT USE  
20 GENETIC SEQUENCERS OR ANY OPERATIONAL OR RESEARCH SOFTWARE USED FOR  
21 GENETIC SEQUENCING FOR THE PURPOSES OF CONDUCTING GENETIC SEQUENCING IF  
22 THE GENETIC SEQUENCERS OR RESEARCH SOFTWARE IS PRODUCED IN OR BY ANY OF  
23 THE FOLLOWING:

24 1. A FOREIGN ADVERSARY OR THE FOREIGN ADVERSARY'S AFFILIATE,  
25 SUBSIDIARY OR COMPANY.

26 2. A COMPANY, SUBSIDIARY OR ENTERPRISE THAT IS DEEMED A CHINESE  
27 MILITARY COMPANY OR AN AFFILIATE OF THE CHINESE MILITARY COMPANY PURSUANT  
28 TO THE ANNUAL PUBLICATION REQUIREMENTS OF SECTION 1260H OF THE WILLIAM  
29 M. THORNBERRY NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2021  
30 (P.L. 116-283; 134 STAT. 3965).

31 3. A COMPANY, SUBSIDIARY OR ENTERPRISE THAT IS DOMICILED WITHIN A  
32 FOREIGN ADVERSARY OR THE FOREIGN ADVERSARY'S AFFILIATE.

33 4. A COMPANY OWNED OR CONTROLLED SUBSIDIARY OF A COMPANY THAT IS  
34 DOMICILED IN A FOREIGN ADVERSARY OR THE FOREIGN ADVERSARY'S AFFILIATE.

35 B. ALL GENETIC SEQUENCERS AND OPERATIONAL AND RESEARCH SOFTWARE  
36 USED FOR GENETIC SEQUENCERS OR GENETIC SEQUENCING DEVICES THAT ARE  
37 PROHIBITED UNDER SUBSECTION A OF THIS SECTION AND THAT ARE NOT PERMANENTLY  
38 DISABLED SHALL BE REMOVED AND REPLACED WITH GENETIC SEQUENCERS AND  
39 OPERATIONAL AND RESEARCH SOFTWARE USED FOR GENETIC SEQUENCERS OR GENETIC  
40 SEQUENCING DEVICES THAT ARE NOT PROHIBITED BY THIS SECTION.

41 C. ON OR BEFORE DECEMBER 31, 2026 AND EACH YEAR THEREAFTER, AN  
42 ATTORNEY FOR THE HEALTH CARE INSTITUTION OR RESEARCH FACILITY SHALL  
43 CERTIFY IN WRITING THAT THE HEALTH CARE INSTITUTION OR RESEARCH FACILITY  
44 IS IN COMPLIANCE WITH THIS SECTION.

1 D. A HEALTH CARE INSTITUTION OR RESEARCH FACILITY THAT SPENDS STATE  
2 MONIES IN VIOLATION OF THIS SECTION IS SUBJECT TO A CIVIL PENALTY OF  
3 \$20,000 FOR EACH VIOLATION. FOR THE PURPOSES OF THIS SUBSECTION,  
4 "VIOLATION" MEANS EACH INSTANCE OF AN INDIVIDUAL'S GENOME HAVING UNDERGONE  
5 GENETIC SEQUENCING USING GENETIC SEQUENCERS OR OPERATIONAL AND RESEARCH  
6 SOFTWARE USED FOR GENETIC SEQUENCERS OR GENETIC SEQUENCING THAT ARE  
7 PROHIBITED UNDER THIS SECTION.

8 E. ANY INDIVIDUAL MAY NOTIFY THE ATTORNEY GENERAL OF A VIOLATION OR  
9 SUSPECTED VIOLATION OF THIS SECTION AND THE FOLLOWING APPLY:

10 1. IF THE NOTIFYING INDIVIDUAL IS AN EMPLOYEE OF THE HEALTH CARE  
11 INSTITUTION OR RESEARCH FACILITY, THE EMPLOYEE HAS WHISTLEBLOWER  
12 PROTECTION.

13 2. IF THE NOTIFYING INDIVIDUAL IS A PATIENT OR RESEARCH SUBJECT AND  
14 THE PROVIDER OF THE HUMAN GENOME USED IN THE VIOLATION, THAT INDIVIDUAL IS  
15 ENTITLED TO RECOVER STATUTORY DAMAGES OF NOT LESS THAN \$1,000 FOR EACH  
16 INSTANCE IN WHICH THAT INDIVIDUAL'S HUMAN GENOME WAS PROCESSED USING  
17 PROHIBITED TECHNOLOGY.

18 F. ALL GENETIC SEQUENCING DATA SHALL BE STORED IN THE UNITED  
19 STATES. ANY REMOTE ACCESS OF DATA STORAGE, OTHER THAN OPEN DATA, IS  
20 PROHIBITED UNLESS APPROVED IN WRITING BY THE DIRECTOR.

21 G. HEALTH CARE INSTITUTIONS AND RESEARCH FACILITIES THAT STORE  
22 GENETIC SEQUENCING DATA, INCLUDING THROUGH CONTRACTS WITH THIRD-PARTY DATA  
23 STORAGE COMPANIES, SHALL ENSURE THAT THE DATA IS SECURED THROUGH  
24 REASONABLE ENCRYPTION METHODS, RESTRICTION ON ACCESS AND OTHER  
25 CYBERSECURITY METHODS.

26 H. FOR THE PURPOSES OF THIS SECTION, "FOREIGN ADVERSARY":

27 1. MEANS THE PEOPLE'S REPUBLIC OF CHINA, RUSSIA, IRAN, NORTH KOREA,  
28 CUBA, VENEZUELA OR SYRIA OR THE HONG KONG SPECIAL ADMINISTRATIVE REGION.

29 2. INCLUDES:

30 (a) A COUNTRY DESIGNATED AS A FOREIGN ADVERSARY OF THE FEDERAL  
31 GOVERNMENT.

32 (b) ANY AGENT OR ENTITY UNDER SIGNIFICANT CONTROL OF A FOREIGN  
33 ADVERSARY.

34 Sec. 6. Title 36, chapter 29, article 1, Arizona Revised Statutes,  
35 is amended by adding section 36-2907.16, to read:

36 36-2907.16. Genetic sequencing; insurance coverage  
37 prohibition; applicability; definitions

38 A. SUBJECT TO THE APPROVAL OF THE CENTERS FOR MEDICARE AND MEDICAID  
39 SERVICES, THE ADMINISTRATION MAY LIMIT COVERAGE TO A MEMBER FOR GENETIC  
40 SEQUENCING IF THE GENETIC SEQUENCING IS PERFORMED ON A DEVICE THAT IS  
41 EITHER OF THE FOLLOWING:

42 1. PRODUCED BY A COMPANY THAT IS DOMICILED IN A FOREIGN ADVERSARY.

43 2. PRODUCED BY A COMPANY THAT IS OWNED OR SUBSTANTIALLY CONTROLLED  
44 BY A COMPANY THAT IS DOMICILED IN A FOREIGN ADVERSARY.

- 1           B. THIS SECTION DOES NOT:  
2           1. REQUIRE COVERAGE FOR GENETIC SEQUENCING.  
3           2. LIMIT THE ADMINISTRATION FROM DENYING COVERAGE FOR ANY VALID  
4 REASON.  
5           C. FOR THE PURPOSES OF THIS SECTION:  
6           1. "COMPANY" MEANS A FOR-PROFIT SOLE PROPRIETORSHIP, ORGANIZATION,  
7 ASSOCIATION, CORPORATION, PARTNERSHIP, JOINT VENTURE, LIMITED PARTNERSHIP,  
8 LIMITED LIABILITY PARTNERSHIP, LIMITED LIABILITY COMPANY, INCLUDING A  
9 WHOLLY OWNED SUBSIDIARY, MAJORITY OWNED SUBSIDIARY, PARENT COMPANY OR  
10 AFFILIATE OF THE ENTITIES OR BUSINESS ASSOCIATIONS OR A NONPROFIT  
11 ORGANIZATION.  
12           2. "DOMICILED" MEANS EITHER OF THE FOLLOWING:  
13           (a) THE COUNTRY IN WHICH A COMPANY IS REGISTERED.  
14           (b) THE LOCATION IN WHICH THE COMPANY'S AFFAIRS ARE PRIMARILY  
15 COMPLETED OR WHERE A MAJORITY OF THE OWNERSHIP SHARES ARE HELD.  
16           3. "FOREIGN ADVERSARY":  
17           (a) MEANS THE PEOPLE'S REPUBLIC OF CHINA, RUSSIA, IRAN, NORTH  
18 KOREA, CUBA, VENEZUELA OR SYRIA OR THE HONG KONG SPECIAL ADMINISTRATIVE  
19 REGION.  
20           (b) INCLUDES:  
21           (i) A COUNTRY DESIGNATED AS A FOREIGN ADVERSARY BY THE FEDERAL  
22 GOVERNMENT.  
23           (ii) ANY AGENT OR ENTITY UNDER SIGNIFICANT CONTROL OF A FOREIGN  
24 ADVERSARY.  
25           4. "GENETIC SEQUENCING" MEANS ANY METHOD TO DETERMINE THE IDENTITY  
26 AND ORDER OF NUCLEOTIDE BASES IN THE HUMAN GENOME.