

Senate Engrossed

firearms transactions; merchant codes; prohibition

State of Arizona  
Senate  
Fifty-seventh Legislature  
First Regular Session  
2025

# SENATE BILL 1143

AN ACT

AMENDING SECTION 44-7851, ARIZONA REVISED STATUTES; AMENDING TITLE 44,  
CHAPTER 36, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION  
44-7853; RELATING TO FIREARM TRANSACTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 44-7851, Arizona Revised Statutes, is amended to  
3 read:  
4 44-7851. Definitions  
5 In this chapter, unless the context otherwise requires:  
6 1. "AMMUNITION" INCLUDES:  
7 (a) CARTRIDGE CASES.  
8 (b) PRIMERS.  
9 (c) BULLETS.  
10 (d) PROPELLANT POWDER THAT IS DESIGNED FOR USE IN ANY FIREARM.  
11 2. "ASSIGN" OR "ASSIGNMENT" MEANS A COVERED ENTITY'S POLICY,  
12 PROCESS OR PRACTICE THAT LABELS, LINKS OR OTHERWISE ASSOCIATES A MERCHANT  
13 CATEGORY CODE WITH A MERCHANT OR A PAYMENT CARD TRANSACTION IN A MANNER  
14 THAT ALLOWS A COVERED ENTITY OR ANY OTHER ENTITY THAT FACILITATES OR  
15 PROCESSES THE PAYMENT CARD TRANSACTION TO IDENTIFY WHETHER A MERCHANT IS A  
16 FIREARM RETAILER OR WHETHER A TRANSACTION INVOLVES THE SALE OF FIREARMS OR  
17 AMMUNITION.  
18 3. "COVERED ENTITY" MEANS ANY ENTITY, OR AGENT OF THE COVERED  
19 ENTITY, THAT ESTABLISHES A RELATIONSHIP WITH A RETAILER FOR THE PURPOSE OF  
20 PROCESSING CREDIT CARD, DEBIT CARD OR PREPAID TRANSACTIONS.  
21 ~~4.~~ 4. "Firearm" means any loaded or unloaded handgun, pistol,  
22 revolver, rifle, shotgun or other weapon that will expel or that is  
23 designed to or may readily be converted to expel a solid projectile by the  
24 action of expanding gases.  
25 5. "FIREARM RETAILER" MEANS ANY PERSON OR COVERED ENTITY THAT IS  
26 BOTH OF THE FOLLOWING:  
27 (a) PHYSICALLY LOCATED IN THIS STATE.  
28 (b) ENGAGED IN THE LAWFUL SELLING OR TRADING OF FIREARMS, ANTIQUE  
29 FIREARMS OR AMMUNITION.  
30 6. "GOVERNMENT ENTITY" MEANS THIS STATE OR ANY POLITICAL  
31 SUBDIVISION OF THIS STATE, INCLUDING ANY BOARD, GOVERNMENTAL BODY, AGENCY  
32 OR INSTRUMENTALITY OF THIS STATE.  
33 7. "MERCHANT CATEGORY CODE" MEANS A CODE THAT IS BOTH OF THE  
34 FOLLOWING:  
35 (a) APPROVED BY AN INTERNATIONAL ORGANIZATION FOR STANDARDIZATION  
36 OR AN EQUIVALENT SUCCESSOR ORGANIZATION SPECIFICALLY FOR FIREARM  
37 RETAILERS.  
38 (b) ASSIGNED TO A RETAILER BASED ON THE TYPES OF GOOD AND SERVICES  
39 THE RETAILER OFFERS TO A CUSTOMER.  
40 8. "PAYMENT CARD" MEANS A CREDIT CARD, CHARGE CARD OR DEBIT CARD OR  
41 ANY OTHER CARD THAT IS ISSUED TO A CUSTOMER AND THAT ALLOWS THE CUSTOMER  
42 TO PURCHASE GOODS OR SERVICES FROM A MERCHANT.

1 9. "PAYMENT CARD NETWORK" MEANS ANY COVERED ENTITY, OR AGENT OF THE  
2 COVERED ENTITY, THAT DOES BOTH OF THE FOLLOWING:

3 (a) PROVIDES THE PROPRIETARY SERVICES, INFRASTRUCTURE AND SOFTWARE  
4 TO CONDUCT DEBIT CARD OR CREDIT CARD TRANSACTION AUTHORIZATIONS,  
5 CLEARANCES AND SETTLEMENTS.

6 (b) ACCEPTS AS A FORM OF PAYMENT A BRAND OF DEBIT CARD, CREDIT  
7 CARD, OR OTHER DEVICE THAT MAY BE USED TO CARRY OUT DEBIT OR CREDIT  
8 TRANSACTIONS.

9 10. "PAYMENT CARD TRANSACTION" MEANS ANY TRANSACTION IN WHICH A  
10 PAYMENT CARD IS ACCEPTED AS PAYMENT.

11 11. "PERSON" MEANS A NATURAL PERSON.

12 ~~2.~~ 12. "Private party" means a person who is not a prohibited  
13 possessor under state or federal law and does not include a person who  
14 possesses a federal firearms license and who primarily engages in the  
15 business of selling, trading or purchasing firearms.

16 ~~3.~~ 13. "Transfer" means when a person gives, loans, offers for  
17 sale, wills or in any manner offers another person a firearm for any  
18 lawful purpose and the person is not a prohibited possessor under state or  
19 federal law.

20 Sec. 2. Title 44, chapter 36, article 1, Arizona Revised Statutes,  
21 is amended by adding section 44-7853, to read:

22 44-7853. Firearm transactions; merchant category codes;  
23 registry; exceptions; attorney general; county  
24 attorney; civil penalty; injunction

25 A. EXCEPT FOR RECORDS KEPT DURING THE REGULAR COURSE OF A CRIMINAL  
26 INVESTIGATION OR PROSECUTION OR AS OTHERWISE REQUIRED BY LAW, A GOVERNMENT  
27 ENTITY MAY NOT KNOWINGLY KEEP OR CAUSE TO BE KEPT ANY LIST, RECORD OR  
28 REGISTRY OF PRIVATELY OWNED FIREARMS OR THE OWNERS OF THE FIREARMS.

29 B. A PAYMENT CARD NETWORK MAY NOT REQUIRE OR INCENTIVIZE THE USE OF  
30 A MERCHANT CATEGORY CODE IN A MANNER THAT DISTINGUISHES A FIREARM RETAILER  
31 FROM OTHER RETAILERS.

32 C. A PERSON AND COVERED ENTITY MAY NOT ASSIGN A FIREARM RETAILER A  
33 MERCHANT CATEGORY CODE THAT DISTINGUISHES A FIREARM RETAILER FROM OTHER  
34 RETAILERS.

35 D. THE ATTORNEY GENERAL OR A COUNTY ATTORNEY SHALL INVESTIGATE A  
36 REASONABLE ALLEGATION OF A VIOLATION OF THIS SECTION. IF THE ATTORNEY  
37 GENERAL OR COUNTY ATTORNEY FINDS A VIOLATION, THE ATTORNEY GENERAL OR  
38 COUNTY ATTORNEY SHALL PROVIDE WRITTEN NOTICE TO THE PERSON, COVERED  
39 ENTITY OR GOVERNMENT ENTITY THAT VIOLATED THIS SECTION, AND THE PERSON, COVERED  
40 ENTITY OR GOVERNMENT ENTITY SHALL CEASE THE CONDUCT THAT LED TO THE  
41 VIOLATION WITHIN THIRTY BUSINESS DAYS AFTER RECEIVING NOTICE. IF A  
42 PERSON, COVERED ENTITY OR GOVERNMENT ENTITY DOES NOT CEASE THE CONDUCT  
43 THAT LED TO THE VIOLATION WITHIN THIRTY BUSINESS DAYS AFTER RECEIVING  
44 WRITTEN NOTICE FROM THE ATTORNEY GENERAL OR COUNTY ATTORNEY, THE ATTORNEY  
45 GENERAL OR COUNTY ATTORNEY SHALL FILE AN INJUNCTION AGAINST THAT PERSON,

1 COVERED ENTITY OR GOVERNMENT ENTITY. IF THE COURT FINDS THAT THE PERSON,  
2 COVERED ENTITY OR GOVERNMENT ENTITY VIOLATED THIS SECTION AND HAS NOT  
3 CEASED THE ACTIVITY THAT CONSTITUTES THE VIOLATION, THE COURT SHALL GRANT  
4 THE INJUNCTION AND AWARD ATTORNEY FEES AND COSTS. IF A PERSON, COVERED  
5 ENTITY OR GOVERNMENT ENTITY PURPOSELY FAILS TO COMPLY WITH THE COURT'S  
6 INJUNCTION AFTER THIRTY DAYS OF BEING PROPERLY SERVED, THE ATTORNEY  
7 GENERAL OR COUNTY ATTORNEY SHALL PETITION THE COURT TO SEEK A CIVIL  
8 PENALTY OF NOT MORE THAN \$1,000 FOR EACH VIOLATION. THE COURT SHALL  
9 CONSIDER FACTORS RESULTING FROM THE VIOLATION, INCLUDING THE FINANCIAL  
10 RESOURCES OF THE VIOLATOR AND THE HARM OR RISK OF HARM TO THE PUBLIC, WHEN  
11 ASSESSING THE CIVIL PENALTY. A COURT ORDER THAT IMPOSES A CIVIL PENALTY  
12 PURSUANT TO THIS SUBSECTION SHALL BE STAYED PENDING ANY APPEAL OF THE  
13 COURT'S ORDER.

14 E. THE ATTORNEY GENERAL OR COUNTY ATTORNEY HAS EXCLUSIVE AUTHORITY  
15 TO ENFORCE THIS SECTION. THE REMEDIES SET FORTH IN SUBSECTION D OF THIS  
16 SECTION ARE THE EXCLUSIVE REMEDIES FOR ANY VIOLATION OF THIS SECTION.

17 F. IT IS A DEFENSE TO ANY PROCEEDING THAT IS INITIATED PURSUANT TO  
18 THIS SECTION THAT A MERCHANT CATEGORY CODE WAS REQUIRED BY LAW.

19 Sec. 3. Short title

20 This act may be cited as the "Second Amendment Financial Privacy  
21 Act".