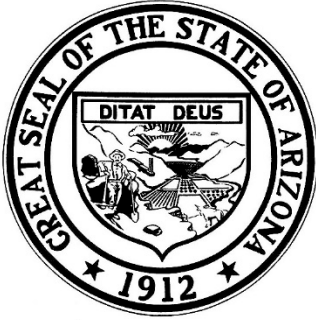


## HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **HB 2749**

Weninger

Substitute  
Floor Amendment

- 
1. Clarifies that the rewards received from staking the digital asset may be in the form of digital assets.
  2. Modifies the definitions of *airdrop*, *digital asset*, and *stake*.
  3. Does not include a definition of *non-fungible token*.
  4. Makes a clarification relating to the presumption of digital assets three-year abandonment period.
  5. Replaces the term *virtual currency* with *digital asset*.

Amendment explanation prepared by Paul Benny

Phone Number 3848

ls

2/25/2025

WENINGER SUBSTITUTE FLOOR AMENDMENT  
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2749

I move the following SUBSTITUTE amendment to the Commerce Committee  
Amendment to  
House Bill 2749 (Reference to printed bill)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or previously enacted session law.  
[Green underlining in brackets] indicates text added to new session law or text restoring existing law.  
[GREEN STRIKEOUT IN BRACKETS] indicates new text removed from statute or previously enacted session law.  
[Green strikeout in brackets] indicates text removed from existing statute, previously enacted session law or new session law.  
<<Green carets>> indicate a section added to the bill.  
<<Green strikeout in carets>> indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

2 <<Section 1. Title 41, chapter 1, article 4, Arizona Revised  
3 Statutes, is amended by adding section 41-180, to read:

4 41-180. Bitcoin and digital assets reserve fund; definitions

5 [A. THE BITCOIN AND DIGITAL ASSETS RESERVE FUND IS ESTABLISHED  
6 CONSISTING OF ANY AIRDROPS, STAKING REWARDS OR INTEREST EARNED AS  
7 PRESCRIBED IN SECTION 44-308, SUBSECTION D. THE STATE TREASURER SHALL  
8 ADMINISTER THE FUND. MONIES IN THE FUND ARE SUBJECT TO THE LEGISLATIVE  
9 APPROPRIATION. THE REWARDS RECEIVED FROM STAKING THE DIGITAL ASSET MAY BE  
10 IN THE FORM OF DIGITAL ASSETS.

11 B. ON APPROVAL OF THE LEGISLATURE, THE STATE TREASURER SHALL  
12 DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, TEN PERCENT OF THE  
13 DIGITAL ASSETS HELD IN THE FUND IN THE STATE GENERAL FUND. THE  
14 LEGISLATURE MAY NOT DEPOSIT BITCOIN IN THE STATE GENERAL FUND.

15 C. FOR THE PURPOSES OF THIS SECTION:

16 1. "AIRDROP":

17 (a) MEANS TO ISSUE A UNIT OF A DIGITAL ASSET THAT IS DISTRIBUTED IN  
18 A BROAD, EQUIPPED AND NONDISCRETIONARY MANNER BASED ON CONDITIONS THAT ARE  
19 CAPABLE OF BEING SATISFIED BY A PARTICIPANT IN A BLOCKCHAIN SYSTEM AS  
20 INCENTIVE-BASED REWARDS, INCLUDING ANY OF THE FOLLOWING:

21 (i) TO USERS OF A DIGITAL ASSET OR ANY BLOCKCHAIN SYSTEM TO WHICH  
22 THE DIGITAL ASSET RELATES.

23 (ii) FOR ACTIVITIES THAT ARE DIRECTLY RELATED TO THE OPERATION OF  
24 THE BLOCKCHAIN SYSTEM, INCLUDING MINING, VALIDATING, STAKING AND ANY OTHER  
25 ACTIVITY THAT IS DIRECTLY TIED TO THE OPERATION OF THE BLOCKCHAIN SYSTEM.

1        (iii) TO EXISTING HOLDERS OF ANOTHER DIGITAL ASSET IN PROPORTION TO  
2 THE TOTAL UNITS OF THE OTHER DIGITAL ASSETS THAT ARE HELD BY EACH PERSON.

3        (b) DOES NOT INCLUDE AN EXCHANGE OF MORE THAN A NOMINAL VALUE OF  
4 CASH, PROPERTY OR OTHER ASSETS.

5        2. "DIGITAL ASSETS" MEANS ANY OF THE FOLLOWING THAT CONFERS  
6 ECONOMIC, PROPRIETARY OR ACCESS RIGHTS OR POWERS:

7        (a) VIRTUAL CURRENCIES.

8        (b) CRYPTOCURRENCIES.

9        (c) ANY OTHER DIGITAL-ONLY ASSETS.

10       3. "STAKE" MEANS COMMITTING DIGITAL ASSETS TO A BLOCKCHAIN NETWORK  
11 TO PARTICIPATE IN THE BLOCKCHAIN NETWORK'S OPERATIONS BY VALIDATING  
12 TRANSACTIONS, PROPOSING AND ATTESTING TO BLOCKS AND SECURING THE  
13 NETWORK.]>>

14       Sec. 2. Section 44-301, Arizona Revised Statutes, is amended to  
15 read:

16       44-301. Definitions

17       In this chapter, unless the context otherwise requires:

18       [1. "AIRDROP":

19       (a) MEANS TO ISSUE A UNIT OF A DIGITAL ASSET THAT IS DISTRIBUTED IN  
20 A BROAD, EQUIPPED AND NONDISCRETIONARY MANNER BASED ON CONDITIONS THAT ARE  
21 CAPABLE OF BEING SATISFIED BY A PARTICIPANT IN A BLOCKCHAIN SYSTEM AS  
22 INCENTIVE-BASED REWARDS, INCLUDING ANY OF THE FOLLOWING:

23       (i) TO USERS OF A DIGITAL ASSET OR ANY BLOCKCHAIN SYSTEM TO WHICH  
24 THE DIGITAL ASSET RELATES.

25       (ii) FOR ACTIVITIES THAT ARE DIRECTLY RELATED TO THE OPERATION OF  
26 THE BLOCKCHAIN SYSTEM, INCLUDING MINING, VALIDATING, STAKING AND ANY OTHER  
27 ACTIVITY THAT IS DIRECTLY TIED TO THE OPERATION OF THE BLOCKCHAIN SYSTEM.

28       (iii) TO EXISTING HOLDERS OF ANOTHER DIGITAL ASSET IN PROPORTION TO  
29 THE TOTAL UNITS OF THE OTHER DIGITAL ASSETS THAT ARE HELD BY EACH PERSON.

30       (b) DOES NOT INCLUDE AN EXCHANGE OF MORE THAN A NOMINAL VALUE OF  
31 CASH, PROPERTY OR OTHER ASSETS.]

32       [1.] [2.] "Apparent owner" means a person whose name appears on  
33 the records of a holder as the person entitled to property held, issued or  
34 owing by the holder.

35       [2.] [3.] "Business association" means any corporation, joint  
36 stock company, investment company, partnership, limited partnership,  
37 registered limited liability partnership, unincorporated association,  
38 joint venture, limited liability company, business trust, trust company,  
39 land bank, safe deposit company, safekeeping depository, financial  
40 organization, insurance company, mutual fund, utility or other business  
41 entity, whether for profit or not for profit, that consists of one or more  
42 persons.

43       [3.] [4.] "De minimis property" means any account balances of  
44 business associations of ~~fifty dollars~~ \$50 or less THAT IS payable to  
45 another business association.

46       [4.] [5.] "Department" means the department of revenue.

1        [6. "DIGITAL ASSETS" MEANS ANY OF THE FOLLOWING THAT CONFERS  
2 ECONOMIC, PROPRIETARY OR ACCESS RIGHTS OR POWERS:

3        (a) VIRTUAL CURRENCIES.

4        (b) CRYPTOCURRENCIES.

5        (c) ANY OTHER DIGITAL-ONLY ASSETS.]

6        ~~[5.]~~ [7.] "Director" means the director of the department of  
7 revenue.

8        ~~[6.]~~ [8.] "Domicile" means the state of incorporation of a  
9 corporation and the state of the principal place of business of a holder  
10 other than a corporation.

11        ~~[7.]~~ [9.] "Financial organization" means a savings and loan  
12 association, building and loan association, savings bank, industrial bank,  
13 bank, banking organization or credit union.

14        ~~[8.]~~ [10.] "Holder" means a person who is obligated to hold for  
15 the account of or deliver or pay to the owner ~~THE~~ property that is subject  
16 to this chapter.

17        ~~[9.]~~ [11.] "Insurance company" means an association, corporation  
18 or fraternal or mutual benefit society or organization, whether for profit  
19 or not for profit, that is engaged in the business of providing life  
20 endowments, annuities or insurance, including accident, burial, casualty,  
21 credit life, contract performance, dental, disability, fidelity, fire,  
22 health, hospitalization, illness, life, malpractice, marine, mortgage,  
23 surety, wage protection and workers' compensation insurance.

24        ~~[10.]~~ [12.] "Mineral" means gas, oil, coal, sand, gravel, road  
25 material, building stone, chemical raw material, gemstone, fissionable and  
26 nonfissionable ores, colloid and other clay, steam and other geothermal  
27 resource or any other substance defined as a mineral in sections 27-231  
28 and 27-901.

29        ~~[11.]~~ [13.] "Mineral proceeds" means the amounts payable for the  
30 extraction, production or sale of minerals or, if those amounts are  
31 abandoned, all payments that become payable after the abandonment.  
32 Mineral proceeds include amounts payable:

33        (a) For the acquisitions and retention of a mineral lease,  
34 including bonuses, royalties, compensatory royalties, shut-in royalties,  
35 minimum royalties and delay rentals.

36        (b) For the extraction, production or sale of minerals, including  
37 net revenue interest, royalties, overriding royalties, extraction payments  
38 and production payments.

39        (c) Under an agreement or option, including a joint operating  
40 agreement, unit agreement, pooling agreement and farm out agreement.

41        ~~[12.]~~ [14.] "Money order" includes an express money order and a  
42 personal money order on which the remitter is the purchaser. Money order  
43 does not include a bank money order or any other instrument that is sold  
44 by a financial organization if the seller has obtained the name and  
45 address of the payee.

46        ~~[13.]~~ [15.] "Owner" means a person who has a legal or equitable  
47 interest in property that is subject to this chapter or the person's legal

1 representative. Owner includes a depositor in the case of a deposit, a  
2 beneficiary in the case of a trust other than a deposit in trust and a  
3 creditor, claimant or payee in the case of other property.

4 ~~[14.]~~ [16.] "Person" means an individual, business association,  
5 financial organization, estate, trust, government, governmental  
6 subdivision, agency or instrumentality or any other legal or commercial  
7 entity.

8 ~~[15.]~~ [17.] "Property":

9 (a) Means **ANY OF THE FOLLOWING:**

10 (i) Tangible property pursuant to section 44-303. ~~or~~

11 (ii) A fixed and certain interest in intangible property that is  
12 held, issued or owed in the course of a holder's business or by a  
13 government, governmental subdivision, agency or instrumentality and all  
14 income or increments from that property.

15 ~~[(iii) A SECURITY AS DEFINED IN SECTION 44-1801.]~~

16 ~~[(iv) VIRTUAL CURRENCY AS DEFINED IN SECTION 43-1028.]~~

17 [(iii) DIGITAL ASSETS.]

18 (b) ~~Property~~ Does not include de minimis property, property of a  
19 person who is maintaining a current business relationship with the holder,  
20 monies collected pursuant to section 46-441 and property that is referred  
21 to or evidenced by gift certificates, electronic gift cards, nonrefundable  
22 tickets, certificates evidencing property denominated in value other than  
23 a currency, including prepaid phone cards, frequent flyer miles, stored  
24 value cards and merchandise points.

25 (c) ~~Property~~ Includes property that is referred to as or evidenced  
26 by any of the following:

27 ~~(a)~~ (i) Money or any check, draft, deposit, interest or dividend.

28 ~~(b)~~ (ii) Any credit balance, customer's overpayment, security  
29 deposit, refund, credit memorandum, unpaid wage, unused ticket, mineral  
30 proceeds or unidentified remittance.

31 ~~(c)~~ (iii) Any stock or other evidence of ownership of an interest  
32 in a business association or financial organization.

33 ~~(d)~~ (iv) Any bond, debenture, note or other evidence of  
34 indebtedness.

35 ~~(e)~~ (v) Money deposited to redeem stocks, bonds, coupons or other  
36 securities or to make distributions.

37 ~~(f)~~ (vi) An amount due and payable under the terms of an annuity  
38 or insurance policy, including policies that provide life, property,  
39 casualty, workers' compensation, health or disability insurance.

40 ~~(g)~~ (vii) An amount distributable from a trust or custodial fund  
41 that is established under a plan to provide health, welfare, pension,  
42 vacation, severance, retirement, death, stock purchase, profit sharing,  
43 employee savings or supplemental unemployment insurance or similar  
44 benefits.

45 ~~[16.]~~ [18.] "Record" means information that is inscribed on a  
46 tangible medium or that is stored in any electronic or other medium and  
47 that is retrievable in a perceivable form.

1        [19. "STAKE" MEANS COMMITTING DIGITAL ASSETS TO A BLOCKCHAIN NETWORK  
2 TO PARTICIPATE IN THE BLOCKCHAIN NETWORK'S OPERATIONS BY VALIDATING  
3 TRANSACTIONS, PROPOSING AND ATTESTING TO BLOCKS AND SECURING THE NETWORK.]

4        ~~[17.]~~ [20.] "State" means a state of the United States, the  
5 District of Columbia, the Commonwealth of Puerto Rico or any territory or  
6 insular possession that is subject to the jurisdiction of the United  
7 States.

8        ~~[18.]~~ [21.] "Utility" has the same meaning prescribed in section  
9 40-491.

10        Sec. 3. Section 44-302, Arizona Revised Statutes, is amended to  
11 read:

12        ~~44-302.~~ Presumptions of abandonment

13        A. Property is presumed abandoned if it is unclaimed by the  
14 apparent owner according to the following schedule:

15        1. A traveler's check is presumed abandoned fifteen years after  
16 issuance.

17        2. A money order or similar written instrument, other than a ~~third~~  
18 ~~party~~ THIRD-PARTY bank check, is presumed abandoned three years after  
19 issuance.

20        3. Any stock or other equity interest in a business association or  
21 financial organization, including a security entitlement under title 47,  
22 chapter 8, is presumed abandoned three years after any of the following,  
23 whichever occurs first:

24        (a) The date of the most recent dividend, stock split or other  
25 distribution that is unclaimed by the apparent owner.

26        (b) The date of the second mailing of a statement of account or  
27 other notification or communication that was returned as undeliverable.

28        (c) The date the holder discontinued mailings, notifications or  
29 communications to the apparent owner.

30        4. The principal on debt, other than a bearer bond or an original  
31 issue discount bond, of a business association or financial organization  
32 is presumed abandoned three years after the maturity date and the interest  
33 on the debt is presumed abandoned three years after the payment date.

34        5. Except as otherwise provided in this paragraph, a demand,  
35 savings or time deposit, including a deposit that is automatically  
36 renewable, and any interest or dividends are presumed abandoned three  
37 years after maturity or the date of the last indication by the owner of  
38 interest in the property, whichever occurs first. A certificate of  
39 deposit and any interest are presumed abandoned three years after  
40 maturity. For the purposes of this paragraph, a deposit that is  
41 automatically renewable is deemed matured on its initial date of maturity,  
42 unless the owner has consented to a renewal at the time of the account  
43 opening or about the time of the renewal and the consent is in writing or  
44 is evidenced by the original account agreement or by any memorandum or  
45 other record on file with the holder.

1           6. Credits owed to a customer as a result of a retail business  
2 transaction are presumed abandoned three years after the obligation  
3 accrued.

4           7. An amount owed by an insurance company on a life or endowment  
5 insurance policy or an annuity that has matured or terminated is presumed  
6 abandoned three years after the obligation to pay arose or, in the case of  
7 a policy or annuity that is payable on proof of death, the amount is  
8 presumed abandoned one year after the insured has attained, or would have  
9 attained if the insured were living, the limiting age under the mortality  
10 table on which the reserve is based. For the purposes of this paragraph,  
11 all of the following conditions apply:

12           (a) If a person other than the insured or annuitant is entitled to  
13 the owed amount and the person's address is not known to the company or it  
14 is not definite and certain from the records of the company who is  
15 entitled to the amount, it is presumed that the last known address of the  
16 person who is entitled to the amount is the same as the last known address  
17 of the insured or annuitant according to the company's records.

18           (b) Notwithstanding any law, if the company learns of the death of  
19 the insured or annuitant and the beneficiary has not communicated with the  
20 insurer within four months after the death, the company shall take  
21 reasonable steps to pay the proceeds to the beneficiary.

22           (c) Every change of beneficiary form issued by an insurance company  
23 under any life or endowment insurance policy or annuity contract to an  
24 insured or owner who is a resident of this state shall request the  
25 following information:

26           (i) The name of each beneficiary, or if a class of beneficiaries is  
27 named, the name of each current beneficiary in the class.

28           (ii) The address of each beneficiary.

29           (iii) The relationship of each beneficiary to the insured.

30           8. A life or endowment insurance policy or annuity contract not  
31 matured by actual proof of the death of the insured or annuitant according  
32 to the company's records is deemed matured and the proceeds are deemed due  
33 and payable and are presumed abandoned after one year if all of the  
34 following conditions apply:

35           (a) The insured has attained, or would have attained if the insured  
36 were living, the limiting age under the mortality table on which the  
37 reserve is based.

38           (b) The policy was in force at the time the insured attained or  
39 would have attained the limiting age specified in subdivision (a) of this  
40 paragraph.

41           (c) Neither the insured nor any other person who appears to have an  
42 interest in the policy within the last year according to the company's  
43 records has assigned, readjusted or paid premiums on the policy or  
44 subjected the policy to a loan, corresponded in writing with the company  
45 concerning the policy or otherwise indicated an interest as evidenced by a  
46 memorandum or any other record on file with and prepared by an employee of  
47 the company.

1           9. Property that is distributable by a business association or  
2 financial organization in a course of dissolution is presumed abandoned  
3 one year after the property becomes distributable.

4           10. Property that is received by a court as proceeds of a class  
5 action and that is not distributed pursuant to the judgment is presumed  
6 abandoned one year after the distribution date.

7           11. Property that is held by a court, government or governmental  
8 subdivision, agency or instrumentality, except for support as defined in  
9 section 25-500 or for spousal maintenance, is presumed abandoned two years  
10 after the property becomes distributable. Monies held for the payment of  
11 warrants by a state agency that remain unclaimed by the owner at the time  
12 of the void date printed on the face of the warrant are presumed  
13 abandoned. For the purposes of this paragraph, governmental subdivision  
14 does not include a special taxing district as defined in section 48-241.

15           12. Wages or other compensation for personal services is presumed  
16 abandoned one year after the compensation becomes payable.

17           13. Property in any individual retirement account, defined benefit  
18 plan or other account or plan that qualifies for tax deferral under the  
19 income tax laws of the United States is presumed abandoned two years after  
20 any of the following, whichever occurs first:

21           (a) The date of the distribution or attempted distribution of the  
22 property.

23           (b) The date of the required distribution as stated in the plan or  
24 trust agreement that governs the plan.

25           (c) If determinable by the holder, the date specified in the income  
26 tax laws of the United States by which distribution of the property must  
27 begin in order to avoid a tax penalty.

28           14. Any amount that is payable on a check, draft or similar  
29 instrument on which a financial organization or business association is  
30 directly liable, including a cashier's check and a certified check, and  
31 that has been outstanding for more than three years after the check, draft  
32 or similar instrument was payable or after issuance if payable on demand  
33 is presumed abandoned unless within three years the owner has communicated  
34 in writing with the financial organization or business association  
35 concerning the check, draft or similar instrument or otherwise indicated  
36 an interest as evidenced by a memorandum or any other record on file and  
37 prepared by an employee of the financial organization or business  
38 association.

39           15. ~~[ANY SECURITY OR VIRTUAL CURRENCY THAT CAN RIGHTFULLY BE CLAIMED~~  
40 ~~IS PRESUMED ABANDONED THREE YEARS AFTER THE INITIAL DATE THE SECURITY OR~~  
41 ~~VIRTUAL CURRENCY BECOMES CLAIMABLE. THE THREE-YEAR PRESUMPTION OF~~  
42 ~~ABANDONMENT BEGINS WHEN] [DIGITAL ASSETS ARE PRESUMED ABANDONED THREE~~  
43 ~~YEARS AFTER] A WRITTEN OR ELECTRONIC COMMUNICATION IS RETURNED TO THE~~  
44 ~~OWNER AS UNDELIVERABLE BY THE UNITED STATES POSTAL SERVICE[,-] OR EMAIL OR~~  
45 ~~ANY OTHER ELECTRONIC MESSAGING METHOD, AS APPLICABLE. THE THREE-YEAR~~  
46 ~~PRESUMPTION OF ABANDONMENT CEASES IMMEDIATELY ON THE EXERCISE OF AN ACT OF~~  
47 ~~OWNERSHIP INTEREST IN THE [SECURITY OR VIRTUAL CURRENCY] [DIGITAL ASSET]~~



1 OR BY A WRITTEN, ORAL OR ELECTRONIC COMMUNICATION WITH THE HOLDER OF THE  
2 ~~[SECURITY OR VIRTUAL CURRENCY]~~ [DIGITAL ASSET] AND THAT IS EVIDENCED BY A  
3 MEMORANDUM OR OTHER RECORD THAT IS ON FILE WITH THE HOLDER OR THE HOLDER'S  
4 AGENT. FOR THE PURPOSES OF THIS PARAGRAPH, "EXERCISE OF AN ACT OF  
5 OWNERSHIP INTEREST" INCLUDES ANY OF THE FOLLOWING:

6 (a) THE OWNER TAKING ACTION REGARDING THE ~~[SECURITY OR VIRTUAL~~  
7 ~~CURRENCY]~~ [DIGITAL ASSET].

8 (b) CONDUCTING A TRANSACTION REGARDING THE ~~[SECURITY OR VIRTUAL~~  
9 ~~CURRENCY]~~ [DIGITAL ASSET] OR THE ACCOUNT IN WHICH THE ~~[SECURITY OR VIRTUAL~~  
10 ~~CURRENCY]~~ [DIGITAL ASSET] IS HELD, INCLUDING DEPOSITING MONIES INTO OR  
11 WITHDRAWING MONIES FROM THE ACCOUNT~~[, WHETHER BY A ONETIME TRANSACTION OR~~  
12 ~~A RECURRING TRANSACTION THAT WAS PREVIOUSLY AUTHORIZED BY THE OWNER OTHER~~  
13 ~~THAN AN AUTOMATIC REINVESTMENT OF DIVIDENDS OR INTEREST]~~.

14 (c) ELECTRONICALLY ACCESSING THE ACCOUNT IN WHICH THE ~~[SECURITY OR~~  
15 ~~VIRTUAL CURRENCY]~~ [DIGITAL ASSET] IS HELD.

16 (d) CONDUCTING ANY ACTIVITY WITH RESPECT TO ANOTHER ACCOUNT THAT IS  
17 OWNED BY THE OWNER AND HELD BY THE SAME HOLDER.

18 (e) TAKING ANY OTHER ACTION THAT REASONABLY DEMONSTRATES TO THE  
19 HOLDER THAT THE OWNER KNOWS THE PROPERTY EXISTS.

20 ~~15-~~ 16. All other property is presumed abandoned three years after  
21 the owner's rights to demand the property or after the obligation to pay  
22 or distribute the property arises, whichever occurs first.

23 ~~16-~~ 17. Excess proceeds deposited with the county treasurer  
24 pursuant to section 33-812 are presumed abandoned if the monies remain  
25 with the treasurer for at least two years from the date of deposit and  
26 there is no pending application for distribution.

27 ~~17-~~ 18. Any dividend, profit, distribution, interest, redemption,  
28 payment on principal or other sum held or owing by a business association  
29 for or to its shareholder, certificate holder, member, bondholder or other  
30 security holder who has not claimed it, or corresponded in writing with  
31 the business association concerning it, is presumed abandoned three years  
32 after the date prescribed for payment or delivery.

33 B. At the time that an interest is presumed abandoned under  
34 subsection A of this section, any other property right accrued or accruing  
35 to the owner as a result of the interest, and not previously presumed  
36 abandoned, is also presumed abandoned.

37 C. Property is unclaimed if, for the applicable period prescribed  
38 in subsection A of this section, the apparent owner has not communicated  
39 in writing with the holder or communicated by other means reflected in a  
40 contemporaneous record that is prepared by or on behalf of the holder and  
41 that concerns the property or the account or accounts in which the  
42 property is held and has not otherwise indicated an interest in the  
43 property and if the holder has not communicated in writing with regard to  
44 the property that would otherwise be unclaimed. A communication with an  
45 owner by a person other than the holder or the holder's representative who  
46 has not identified the property in writing to the owner is not an  
47 indication of interest in the property by the owner.

1 D. An indication of an owner's interest in property includes:

2 1. ~~The presentment of~~ PRESENTING any check or other instrument of  
3 payment of any dividend or other distribution that is made with respect to  
4 any account, underlying stock or other interest in a business association  
5 or financial organization. If the distribution is made by electronic or  
6 similar means, an indication of an owner's interest includes evidence that  
7 the distribution has been received.

8 2. ~~Activity directed by~~ The owner DIRECTING ANY ACTIVITY in the  
9 account in which the property is held, including a direction by the owner  
10 to increase, decrease or change the amount or type of property held in the  
11 account.

12 3. ~~The Making of~~ a deposit to or withdrawal from a bank account.

13 4. ~~The payment of~~ PAYING a premium with respect to a property  
14 interest in an insurance policy. The application of an automatic premium  
15 loan provision or any other nonforfeiture provision in an insurance policy  
16 does not prevent a policy from maturing or terminating if the insured has  
17 died or if the insured or the beneficiary of the policy has otherwise  
18 become entitled to the proceeds before the depletion of the cash surrender  
19 value of a policy by the application of those provisions.

20 E. Property is payable or distributable notwithstanding the owner's  
21 failure to make demand or present an instrument or document otherwise  
22 required to obtain payment.

23 Sec. 3. Section 44-308, Arizona Revised Statutes, is amended to  
24 read:

25 44-308. Payment or delivery of abandoned property

26 A. On filing the report prescribed in section 44-307, the holder of  
27 property that is presumed abandoned shall pay, deliver or cause to be paid  
28 or delivered to the department the property described in the report as  
29 unclaimed. If the property is an automatically renewable deposit and a  
30 penalty or forfeiture in the payment of interest would result, the time  
31 for compliance is extended until a penalty or forfeiture would no longer  
32 result. The holder of tangible property held in a safe deposit box or any  
33 other safekeeping depository shall deliver the property to the department  
34 on filing the report prescribed in section 44-307.

35 B. If the property reported to the department is a security or  
36 security entitlement pursuant to title 47, chapter 8, the department may  
37 make an endorsement, instruction or entitlement order on behalf of the  
38 apparent owner to invoke the duty of the issuer or its transfer agent or  
39 the securities intermediary to transfer or dispose of the security or the  
40 security entitlement in accordance with title 47, chapter 8.

41 C. If the holder of property reported to the department is the  
42 issuer of a certificated security, the department has the right to obtain  
43 a replacement certificate pursuant to section 47-8405, but an indemnity  
44 bond is not required.

45 D. IF THE PROPERTY REPORTED TO THE DEPARTMENT IS ~~[VIRTUAL CURRENCY]~~  
46 [A DIGITAL ASSET], THE HOLDER SHALL REPORT AND DELIVER THE ~~[VIRTUAL~~  
47 ~~CURRENCY]~~ [DIGITAL ASSET] IN ITS NATIVE FORM TO THE DEPARTMENT OR THE

1 DEPARTMENT'S DESIGNATED QUALIFIED CUSTODIAN WITHIN THIRTY DAYS AFTER  
2 REPORTING THE PROPERTY ABANDONED. [ON DIRECTION BY THE DEPARTMENT, THE  
3 QUALIFIED CUSTODIAN MAY STAKE TO RECEIVE REWARDS OR RECEIVE AIRDROPS. ON  
4 THE EXPIRATION OF THREE YEARS AFTER THE DATE THE DIGITAL ASSET WAS  
5 TRANSFERRED TO THE QUALIFIED CUSTODIAN AND IF THE PROPERTY REMAINS  
6 UNCLAIMED, ANY AIRDROPS OR STAKING REWARDS SHALL BE TRANSFERRED TO THE  
7 BITCOIN AND DIGITAL ASSET RESERVE FUND ESTABLISHED BY SECTION 41-180.] IF  
8 THE HOLDER ONLY POSSESSES A PARTIAL PRIVATE KEY TO THE ~~[VIRTUAL CURRENCY]~~  
9 ~~[DIGITAL ASSET]~~ OR IS UNABLE TO MOVE THE ~~[VIRTUAL CURRENCY]~~ ~~[DIGITAL~~  
10 ~~ASSET]~~, THE HOLDER SHALL MAINTAIN THE ~~[VIRTUAL CURRENCY]~~ ~~[DIGITAL ASSET]~~  
11 UNTIL THE ADDITIONAL KEYS REQUIRED TO TRANSFER THE ~~[VIRTUAL CURRENCY]~~  
12 ~~[DIGITAL ASSET]~~ BECOME AVAILABLE. FOR THE PURPOSES OF THIS SUBSECTION,  
13 "QUALIFIED CUSTODIAN" MEANS ANY OF THE FOLLOWING THAT IS LICENSED IN THIS  
14 STATE TO SELL ~~[VIRTUAL CURRENCY]~~ ~~[DIGITAL ASSETS]~~ AND OFFER CUSTODY  
15 SERVICES TO CUSTOMERS:

16 1. A COMPANY.  
17 2. A FEDERAL OR STATE CHARTERED BANK.  
18 3. A TRUST COMPANY.  
19 4. A SPECIAL PURPOSE DEPOSITORY INSTITUTION.  
20 ~~D.~~ E. An issuer, the holder and any transfer agent or other person  
21 who acts pursuant to the instructions and on behalf of the issuer or  
22 holder in accordance with this section are not liable to the apparent  
23 owner and are indemnified against all claims of any person in accordance  
24 with section 44-310.

25 ~~E.~~ F. Each month a holder of property reported pursuant to section  
26 44-307, subsection H shall remit the property with the report of property  
27 presumed abandoned or other form prescribed by the department.

28 Sec. 5. Section 44-312, Arizona Revised Statutes, is amended to  
29 read:

30 ~~44-312.~~ 44-312. Public sale of abandoned property: prohibition

31 A. Except as otherwise provided in this section, within three years  
32 after receiving abandoned property the department shall sell the property  
33 to the highest bidder at a public sale at a location in this state that in  
34 the judgment of the department affords the most favorable market for the  
35 property. The department may decline the highest bid and reoffer the  
36 property for sale if the department considers the bid to be insufficient.  
37 The department is not required to offer the property for sale if the  
38 department determines that the probable cost of the sale will exceed the  
39 proceeds from the sale. Before conducting a sale pursuant to this  
40 section, the department shall cause a notice to be published at least  
41 three weeks before the sale in a newspaper of general circulation in the  
42 county in which the sale will occur.

43 B. The department shall sell securities that are listed on an  
44 established stock exchange at prices prevailing on the exchange at the  
45 time of the sale. The department may sell other securities over the  
46 counter at prices prevailing at the time of the sale or by any reasonable  
47 method selected by the department.

1 C. ~~[THE DEPARTMENT SHALL SELL DIGITAL ASSETS THAT ARE LISTED ON AN~~  
2 ~~ESTABLISHED DIGITAL ASSET EXCHANGE AT PRICES PREVAILING ON THE EXCHANGE AT~~  
3 ~~THE TIME OF THE SALE.]~~ THE DEPARTMENT MAY NOT SELL A ~~[SECURITY OR VIRTUAL~~  
4 ~~CURRENCY]~~ ~~[DIGITAL ASSET]~~ LISTED ON AN ESTABLISHED STOCK OR A ~~[VIRTUAL~~  
5 ~~CURRENCY]~~ ~~[DIGITAL ASSET]~~ EXCHANGE FOR LESS THAN THE PREVAILING PRICE THAT  
6 IS LISTED ON THE EXCHANGE AT THE TIME OF SALE. THE DEPARTMENT MAY SELL A  
7 ~~[SECURITY OR VIRTUAL CURRENCY]~~ ~~[DIGITAL ASSET THAT IS]~~ NOT LISTED ON AN  
8 ESTABLISHED EXCHANGE BY ANY COMMERCIALY REASONABLE METHOD.

9 ~~C.~~ D. A person who makes a claim pursuant to this chapter for  
10 securities is entitled to receive from the department the securities that  
11 the holder delivered to the department if the securities remain in the  
12 department's custody or the person is entitled to receive the net proceeds  
13 of the sale. Except in a case of intentional misconduct or malfeasance by  
14 the department, the person is not entitled to receive any appreciation in  
15 the value of the property that occurred after the delivery to the  
16 department.

17 ~~D.~~ E. A purchaser of property at a sale conducted by the  
18 department pursuant to this chapter takes the property free of all claims  
19 of the owner or previous holder and of all persons claiming through or  
20 under the owner or previous holder. The department shall execute all  
21 documents necessary to complete the transfer of ownership.

22 Enroll and engross to conform  
23 Amend title to conform

JEFF WENINGER

2749FloorWENINGER.docx  
02/24/2025  
07:18 PM  
C: SK