ARIZONA STATE SENATE

RESEARCH STAFF

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TO: MEMBERS OF THE SENATE

COMMERCE COMMITTEE

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SUBJECT: Strike everything amendment to S.B. 1155, relating to antitrust enforcement;

appropriations

Purpose

Appropriates \$1,000,000 from the Antitrust Enforcement Revolving Fund (Antitrust Enforcement Fund) in FY 2022 to the Attorney General (AG) for investigation and enforcement against technology companies.

Background

The AG enforces state and federal antitrust laws, including the federal Sherman Antitrust Act and the Uniform State Antitrust Act. Antitrust laws deem unlawful: 1) a contract, combination or conspiracy in restraint of, or to monopolize intrastate, interstate or foreign trade; and 2) establishing or attempting to establish a monopoly of intrastate, interstate or foreign trade (15 U.S.C. Chapter 1; A.R.S. Title 44, Chapter 4, Article 1). In any action brought by the AG pertaining to antitrust, restraint of trade or price-fixing activities for the recovery of damages, the AG may enter into contracts relating to the investigation and prosecution of such action with another party plaintiff who has brought a similar action (A.R.S. § 41-192).

The Antitrust Enforcement Fund is administered by the AG for costs and expenses of antitrust enforcement. Authorized expenses include filing fees, court costs, travel, depositions, transcripts, reproduction costs, expert witness fees, investigations. Antitrust Enforcement Fund monies may not be used to compensate or employ attorneys or counselors at law except for fixed fees capped at \$50 per hour on initial recovery of monies (A.R.S. §§ 41-191; 41-191.01; and 41-191.02).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

- 1. Appropriates \$1,000,000 from the Antitrust Enforcement Fund in FY 2022 to the AG to investigate and bring enforcement actions against technology companies engaging in anti-competitive, anti-consumer or monopolistic behavior.
- 2. Authorizes the AG to use Antitrust Enforcement Fund monies to compensate or employ attorneys or counselors at law for the purposes of antitrust enforcement until July 1, 2023.
- 3. Exempts the appropriations from lapsing.
- 4. Contains a statement of legislative intent.
- 5. Becomes effective on the general effective date.