

# AZ Money

*The microcurrency of Arizona*

AZ Money is based on the ideas presented in the paper known as Microcurrencies (local decentralized monies operating as Bitcoin sidechains – See Microcurrency Whitepaper, hashed into block #768251). AZ Money is intended for every citizen within the borders of the U.S. state known as Arizona (Population approximately 7.3 million). This state has multiple communities of individuals working tirelessly to restore and protect individual liberty. Within Arizona, there is much technological fluency as well as a significant understanding on how corrupt (or centralized) money and banking undermine the foundational principles upon which America was originally established. Arizona is one of the best locations to fully integrate Bitcoin and launch its own local decentralized money while rebuilding honest banking from the ground up.

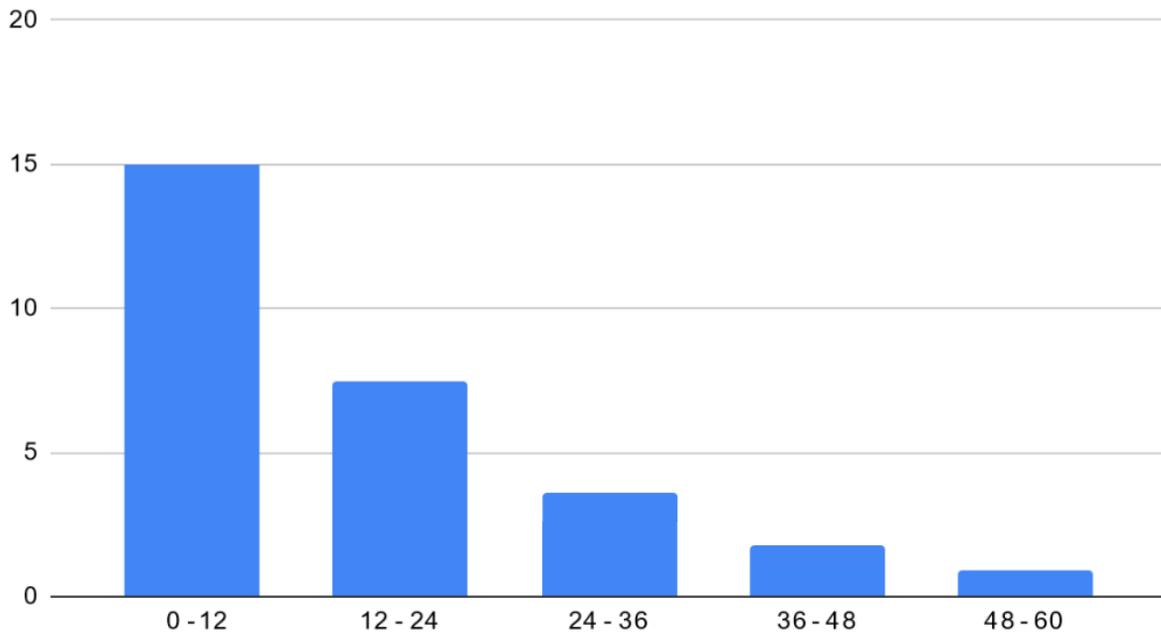
The launch date of AZ Money corresponds with the 111th anniversary of Arizona statehood, February 14th 2023. The new money will be ushered-in via Proof of Work (POW) using the same hardware to mine bitcoins. It has no pre-mine, with a max supply of 7,637,625 coins (Max supply was influenced by the current population of Arizona). All coins will be fully distributed after approximately five years. Each coin will be divisible by 100,000,000 where these smaller units will be known as Saguaros, with a proposed ticker of SAGZ. AZ Money will be introduced to, and built upon, all communities within Arizona actively working for a better and more free country starting January 2023.

## Distribution

AZ Money will be distributed on a closed network, with its own blockchain, using the Bitcoin Core software with a few modest modifications. After distribution (approximately 5 years), it will be made public upon hardforking to a Bitcoin sidechain. AZ Money is distributed as a reward for mining new blocks (just like Bitcoin). Approximately every 12 months, this block reward will be cut in half. With an initial closed network (for ~5 years) and decreasing block rewards, the bulk of AZ Money will be distributed into the hands of those Arizonans prepared to build the state back better, on a foundation of liberty and honesty! Below are the parameters to be used in the modified Bitcoin Core software to distribute AZ Money:

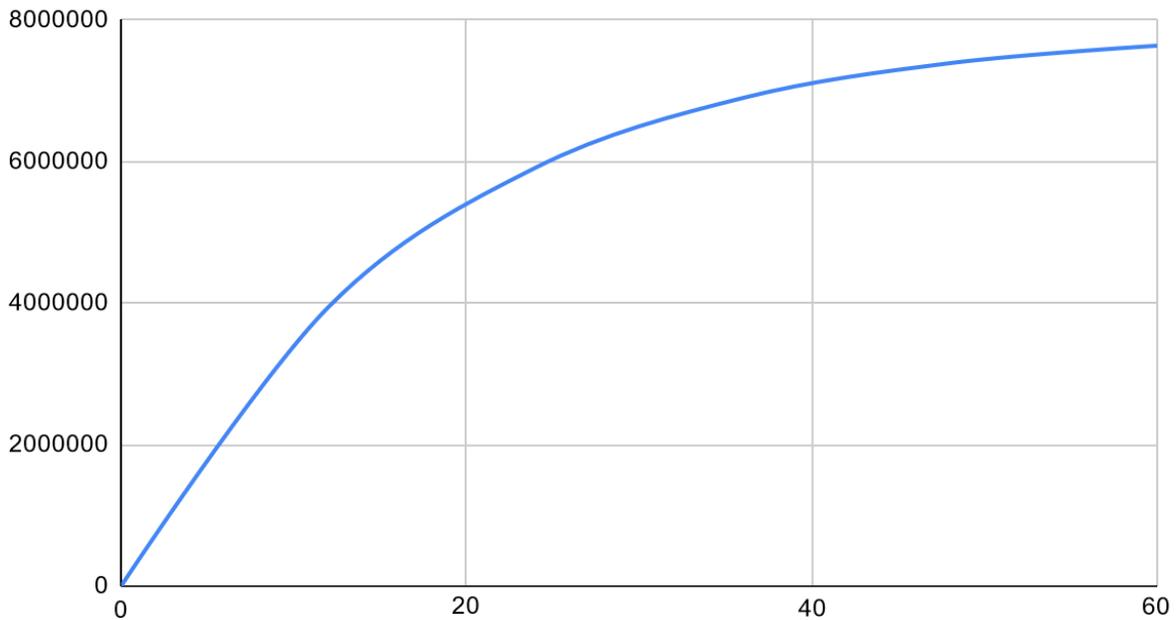
<u>Description</u>	<u>Value</u>	<u>Unit</u>	<u>Comment</u>
• Initial Block Reward	15	Coins	1.5B SAGZ
• Block Target Spacing	120	Seconds	2 Minutes
• Subsidy Halving Interval	262,800	Blocks	12 Months
• Number of Halvings	5	Intervals	5 Years
• Difficulty Adjustment Timespan	172,800	Seconds	2 Days
• Hardfork Block Height	1,314,000	Block	
• Max Block Size	100	KB	

### Block Reward (Coins) vs. Time (Months)



**Note:** There is one block mined approximately every 120 seconds.

### AZ Money Supply (Coins) vs. Time (Months)



**Note:** After block #1,314,000 is minted with a total supply of 7,637,625 coins, all subsequent block rewards and UTXOs will not be included in the hardfork.

# Hardfork

After all the coins are distributed, @ Block #1,314,000, there is a permanent cap (7,637,625) on the total number of coins. It is at this block where the chain will be hardforked to a Bitcoin Sidechain. It will be modeled after the RSK sidechain with all its smart contract features. It may even be desirable, if technically possible, to first hardfork to the RSK sidechain followed by another hardfork to its own Bitcoin sidechain when ready. When the time comes, this decision will be left to the AZ Money technical community, which is anticipated will come together. However, it will be critical that the initial desired solution be in place before the hardfork block arrives.

The current RSK implementation utilizes a federated two-way peg system with merged mining (aka Powpeg). Those that help establish AZ Money (i.e. node operators) are those that will make up its security federation after the hardfork. The AZ Money federation will govern the security, block size, and fee rates. Like RSK, Bitcoin will be the native currency for the AZ Money sidechain, where all fees are paid in Bitcoin "Satoshis" (\$ATS). This new sidechain will also integrate Powpeg as an additional safety measure, with an open invitation to all miners to participate in forging its blocks. The money received from fees will go 100% to the miners.

This hardfork also represents the change from a closed network to a completely open network. Saguaros (SAGZ) will then be available to those outside Arizona via the Decentralized Exchange (DEX) on the AZ Money sidechain or on any other exchange willing to list SAGZ. The proposed or recommended trading pair for all exchanges is SAGS/\$ATS.

Leading up to the hardfork, it is critical that all UTXOs use Bech32's P2WPKH (Pay to Witness Public Key Hash) script. This will make the hardfork to a Bitcoin sidechain simpler and more seamless. All other UTXO script types may be ignored in the hardforking process, with their corresponding SAGZ lost forever! Note: the address prefix during distribution will be 'az'. The old blockchain will simply serve as a historical reference and a verification of the hardfork having been completed correctly.

## Wrap-up

As AZ Money grows in popularity and adoption, it poses a great opportunity for all of Arizona to abandon all the machinations of a dying system to one with sound money, honest banking, and limited government. With greater sovereignty in play, it will serve as a powerful reminder to the federal government that they work for us, not the other way around! It also has the potential to become the standard to follow for all other states and relatively small geopolitical territories.

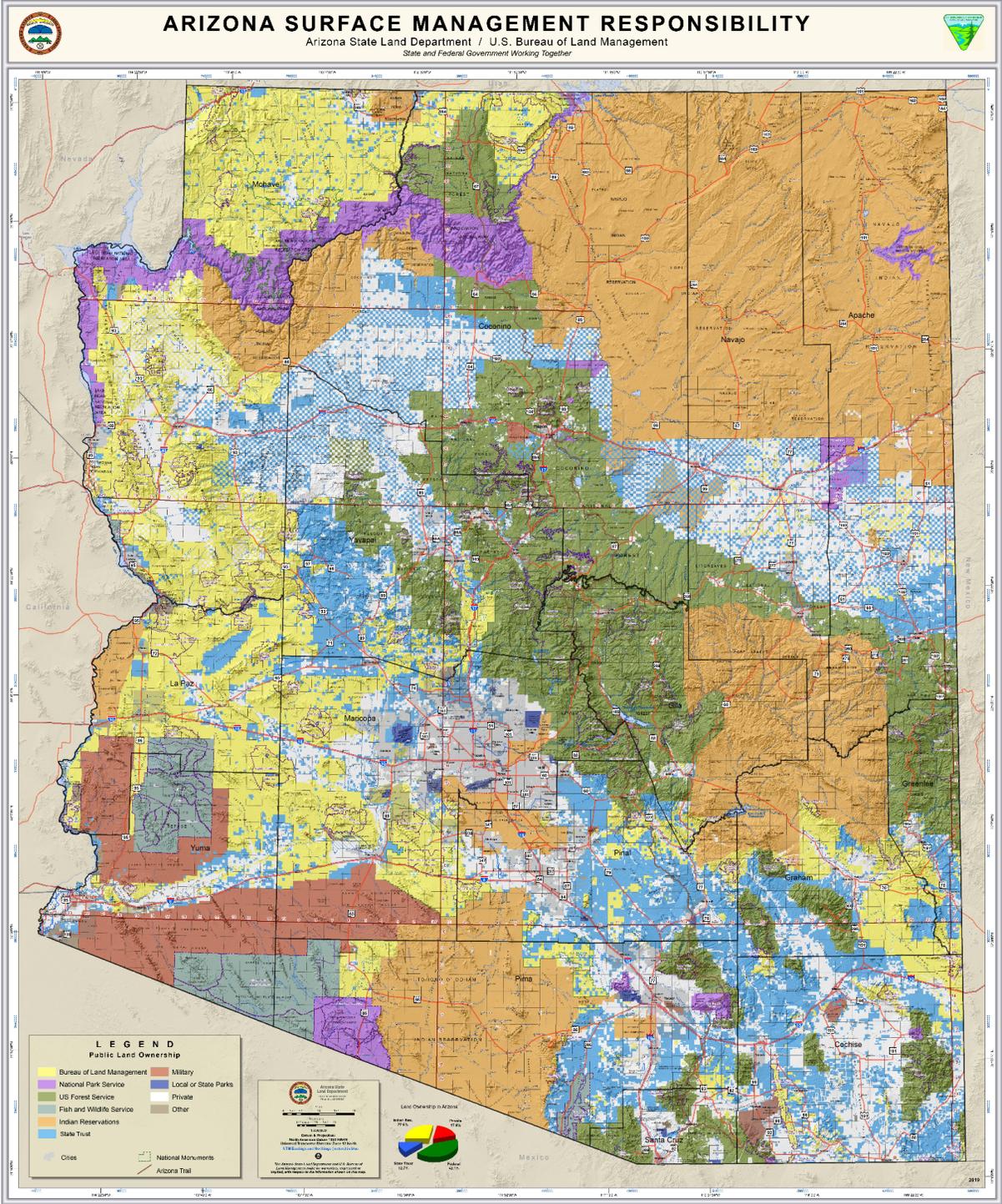
As for fiat currency, it only exists because of debt and is therefore debt-based and inherently built to enslave. The vision would be to one-day move away from such a system. The community that unites, grows, and flourishes to support AZ Money will need to find the way, and the courage, to transition from debt based fiat to AZ Money on a mass scale within Arizona. This future action does not excuse any individual from the moral obligations and duties of working uprightly and honestly with the legacy financial system up until it is replaced.

Getting involved in AZ Money is, by far, the best way to really bring about significant and fundamental change in Arizona's society based on principles of freedom and individual accountability. And to encourage all those that have the capacity and interest to engage in this new niche of the Fin-Tech industry, please get involved by opening a service, integrated in Bitcoin & AZ Money, and start building a community today! Then, find other like-minded competent individuals and help them do the same. The combined efforts of all involved across the state will culminate in an upsurge of freedom, liberty, and a better system for all!

## Logo



# Geography



Area = 113,998 square miles

## **Appendix: Constitutional Amendment for Monetary Power Decentralization**

In order for the state of Arizona to realize the full sovereignty potential of operating on the foundation of its own money, legal tender legislation is an eventual “must” in order to phase out the legacy money, ensure the use and acceptance of the new money, as well as to guarantee exclusivity within all financial contracts. These laws will, in essence, ensure the greatest amount of monetary power remains with the citizens of Arizona. It will also reduce the potential for external forces to influence the State for their own ends. In order for such laws to become law, Arizona would either need to take the drastic step of seceding from the Union (which is an option to be avoided at all costs), or help implement a Constitutional Amendment. In other words, Arizonans need the people, in at least 37 other states, to be aligned on the same cause implementing their own microcurrency. And when everyone is ready, these legal tender laws would be added and enshrined on the books as the newest amendment to the U.S. Constitution.

Aside from the Constitution, in January 2022 Arizona legislator Wendy Rogers introduced SB 1341 to make bitcoin “legal tender” within the state. Although the constitutionality of such a bill is questionable, it shows that an increasing number of citizens are recognizing the gross incompetence the U.S. Congress wields over money, and the need to strip it of its monopoly power, including all its monetary mismanagement, corruption, and abuse. Legislator Wendy Roger’s bill also highlights the importance of Bitcoin in the global economy and its likelihood of becoming the next global reserve money. A wise next step would be for Arizona’s state legislators to make sure there are no capital gains taxes for trading between SAGZ and \$ATS!