

REFERENCE TITLE: telephone solicitations; telephone calls

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

# HB 2246

Introduced by  
Representative Blackman

AN ACT

AMENDING SECTIONS 44-1271 AND 44-1278, ARIZONA REVISED STATUTES; RELATING  
TO TELEPHONE SOLICITATIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 44-1271, Arizona Revised Statutes, is amended to  
3 read:  
4 44-1271. Definitions  
5 In this article, unless the context otherwise requires:  
6 1. "Business opportunity":  
7 (a) Means the sale or lease, or offer for sale or lease, of any  
8 goods or services to a consumer for an initial payment of five hundred  
9 dollars or greater for the purpose of enabling the consumer to start or  
10 operate a business, which sale or lease is not limited to sales initiated  
11 or made by the telephone.  
12 (b) Includes a solicitation of consumers in which the seller  
13 represents one or more of the following:  
14 (i) That the consumer may or will earn an amount in excess of the  
15 initial payment as a result of the purchase.  
16 (ii) That a market exists for any goods to be made or sold or  
17 services to be rendered by the consumer.  
18 (iii) That the seller will provide locations or assist the consumer  
19 in finding locations for the use or operation of vending machines, racks,  
20 display cases or other similar devices or currency-operated amusement  
21 machines or devices or any other devices.  
22 (iv) That the seller may purchase from the consumer goods to be  
23 made or services to be rendered by the consumer.  
24 (v) That the seller guarantees, either conditionally or  
25 unconditionally, that the consumer will derive income from the business  
26 opportunity or that the seller will refund all or part of the price paid  
27 for the business opportunity or repurchase any of the goods supplied by  
28 the seller if the consumer is unsatisfied with the business opportunity.  
29 (vi) That the seller or an entity associated with the seller will  
30 provide a sales program or marketing program to the consumer unless the  
31 marketing program is offered in conjunction with the licensing of a  
32 registered trademark or service mark, if the trademark or service mark has  
33 been effectively registered under federal law.  
34 (c) Does not include:  
35 (i) The sale of all or substantially all of the assets of an  
36 ongoing business where the owner of that business sells and intends to  
37 sell only that one business opportunity.  
38 (ii) The not-for-profit sale of sales demonstration equipment,  
39 materials or samples for a total price of five hundred dollars or less.  
40 (iii) The sale of a franchise as defined by the federal trade  
41 commission regulations as set forth in 16 Code of Federal Regulations  
42 section 436.1.  
43 2. "Consumer" means a person who is solicited by a seller or  
44 solicitor.

1           3. "Goods" means any merchandise, equipment, products, supplies or  
2 materials.

3           4. "Initial payment" means the total amount the purchaser becomes  
4 obligated to pay to the seller and to any third party for goods, services  
5 or merchandise related to a previously purchased business opportunity,  
6 either prior to or at the time of the delivery of any goods, services or  
7 merchandise within six months after the commencement of the operation of  
8 the business opportunity by the purchaser.

9           5. "Licensed associated person of a securities, commodities or  
10 investments broker" means any associated person registered or licensed by  
11 the national association of securities dealers, a self-regulatory  
12 organization as defined in the securities exchange act of 1934 (15 United  
13 States Code section 78c) or an official or agency of this state or of any  
14 other state of the United States.

15           6. "Licensed securities commodities or investments broker, dealer  
16 or investment advisor" means a person licensed or registered as a  
17 securities commodities or investments broker, dealer or investment advisor  
18 by the securities and exchange commission, the national association of  
19 securities dealers, a self-regulatory organization as defined in the  
20 securities exchange act of 1934 (15 United States Code section 78c) or an  
21 official or agency of this state or of any other state of the United  
22 States.

23           7. "Manager" means a person who supervises the work of a solicitor.

24           8. "Merchandise" means objects, wares, goods, commodities,  
25 intangibles, real estate, securities or services.

26           9. "Person" means:

27           (a) A natural person or the person's legal representative.

28           (b) A partnership, a limited liability company, a limited liability  
29 partnership or a domestic or foreign corporation.

30           (c) A company, trust, business entity or association.

31           (d) An agent, employee, salesman, partner, officer, director,  
32 member, stockholder, associate or trustee.

33           (e) Any other legal entity or any group associated in fact although  
34 not a legal entity.

35           10. "Premium" means any gift, bonus, prize, award or other  
36 incentive or inducement to purchase merchandise.

37           11. "Principal" means an owner or an officer of a corporation or  
38 limited liability company, a general partner of a partnership, a sole  
39 proprietor of a sole proprietorship, a partner of a limited liability  
40 partnership, a trustee of a trust and any other individual who controls,  
41 manages or supervises a telephone sales operation.

42           12. "Prize" means anything offered or purportedly offered and given  
43 or purportedly given to a person by chance. Chance exists if a person is  
44 guaranteed to receive an item and at the time of the offer or purported

1 offer the seller or solicitor does not identify the specific item that the  
2 person will receive.

3 13. "Prize promotion" means a sweepstakes or other game of chance  
4 or an oral or written express or implied representation that a person has  
5 won, has been selected to receive or may be eligible to receive a prize or  
6 purported prize.

7 14. "Recovery service" means any business or other practice in  
8 which a person represents or implies that the person will recover or  
9 assist in recovering for a fee any amount of money that a consumer has  
10 provided to a seller pursuant to a telephone solicitation.

11 15. "Seller" means a person who, directly or through a solicitor,  
12 does any of the following:

13 (a) Initiates telephone calls to provide or arrange to provide  
14 merchandise to consumers in exchange for payment.

15 (b) Solicits by telephone in response to inquiries from a consumer  
16 generated by a notification or communication sent or delivered to the  
17 consumer that represents or implies that:

18 (i) The consumer has been specially selected in any manner to  
19 receive the notification or communication or the offer contained in the  
20 notification or communication.

21 (ii) The consumer will receive a premium if the consumer calls the  
22 person.

23 (iii) If the consumer purchases merchandise from the person, the  
24 consumer will also receive additional or other merchandise, the same as or  
25 different from the type of merchandise purchased, without any additional  
26 charge or for a price that the person represents or implies is less than  
27 the regular price of the merchandise.

28 (iv) The person is offering for sale the services of a recovery  
29 service.

30 (v) The person is offering to make a loan, to arrange or assist in  
31 arranging a loan or to assist in providing information that may lead to  
32 obtaining a loan unless no payment of any kind is made until the loan  
33 proceeds are disbursed to the borrower.

34 (vi) The consumer will receive a credit card if the consumer pays a  
35 fee for the card before receiving the card.

36 (vii) The person is offering for sale identity protection  
37 assistance.

38 (c) Solicits by telephone in response to inquiries generated by  
39 advertisements on behalf of the person that represent or imply that:

40 (i) The person is offering to sell the services of a recovery  
41 service.

42 (ii) The person is offering to make a loan, to arrange or assist in  
43 arranging a loan or to assist in providing information that may lead to  
44 obtaining a loan unless no payment of any kind is made until the loan  
45 proceeds are disbursed to the borrower.

1 (iii) The consumer will receive a credit card if the consumer pays  
2 a fee for the card before receiving the card.

3 (d) Solicits consumers to purchase a business opportunity or  
4 merchandise related to a business opportunity through any means including  
5 the telephone, internet or mail or other hard copy text or through any  
6 electronic, wireless or other communication media.

7 16. "Solicitor" means a person, other than a seller or employee of  
8 a seller, who uses a telephone to seek sales or rentals of merchandise on  
9 behalf of a seller or uses a telephone to verify sales or rentals for a  
10 seller.

11 17. "Subscriber" means a person who subscribes to residential  
12 telephone service from a local exchange company and any person who lives  
13 or subscribes with that person.

14 18. "TELEPHONE CALL" MEANS ANY COMMUNICATION, CONTACT OR ATTEMPT TO  
15 COMMUNICATE WITH A PERSON BY USING A TELEPHONE OR TELEPHONE SERVICE.

16 ~~18.~~ 19. "Telephone solicitation" means any voice communication  
17 from a live operator, announcing device or otherwise OR TEXT MESSAGE  
18 TRANSMITTED TO A CELLULAR TELEPHONE that offers merchandise for sale or  
19 rent and that is to or from a person located in this state.

20 Sec. 2. Section 44-1278, Arizona Revised Statutes, is amended to  
21 read:

22 44-1278. Unlawful practice; powers of attorney general;  
23 cumulative remedies

24 A. It is an unlawful practice pursuant to section 44-1522 for a  
25 seller or solicitor or anyone acting on ~~their~~ behalf OF EITHER A SELLER OR  
26 SOLICITOR to make or authorize to any consumer any reference to the  
27 seller's or solicitor's compliance with this article other than on inquiry  
28 by the consumer.

29 B. It is an unlawful practice pursuant to section 44-1522 for any  
30 seller or solicitor or anyone acting on ~~their~~ behalf OF EITHER A SELLER OR  
31 SOLICITOR who conducts a telephone solicitation in this state to do any of  
32 the following:

33 1. Use telephone equipment that blocks the caller identification  
34 function on the telephone or telephone equipment of the telephone number  
35 dialed so that the telephone number of the ~~caller~~ PARTY THAT INITIATES THE  
36 TELEPHONE CALL is not displayed on the telephone or telephone equipment  
37 that is capable of displaying the telephone number of the ~~caller~~ PARTY  
38 THAT INITIATED THE TELEPHONE CALL.

39 2. Initiate an outbound telephone call to a person if that person  
40 has previously stated a desire not to receive outbound telephone calls  
41 made by or on behalf of the seller whose goods or services are being  
42 offered. A seller or solicitor is not liable under this paragraph or  
43 paragraph 3 if all of the following apply:

44 (a) The seller or solicitor has established and implemented written  
45 procedures to comply with this paragraph.

1 (b) The seller or solicitor has trained the seller's or solicitor's  
2 personnel according to the written procedures prescribed in subdivision  
3 (a) of this paragraph.

4 (c) The seller or the solicitor acting on behalf of the seller  
5 establishes and maintains a no call list comprised of all persons who  
6 request not to be contacted and keeps all do not call requests for at  
7 least ten years.

8 (d) The initial outbound TELEPHONE call or any subsequent outbound  
9 TELEPHONE call made by the seller or solicitor is the result of an error.

10 3. Intentionally make or cause to be made any unsolicited telephone  
11 ~~sales call~~ SOLICITATION to any CELLULAR TELEPHONE, mobile or telephone  
12 paging device.

13 4. Make a telephone call to any residential OR CELLULAR telephone  
14 using an artificial or prerecorded voice to deliver a message unless the  
15 TELEPHONE call is initiated for emergency purposes or the TELEPHONE call  
16 is made with the prior express consent of the called party.

17 5. Use any automatic terminal equipment that uses a random or  
18 sequential number generator unless the equipment excludes TELEPHONE calls  
19 to the following telephone numbers:

20 (a) Emergency telephone numbers, including 911, of any hospital,  
21 medical physician, health care facility, poison control center, fire  
22 protection facility or law enforcement agency.

23 (b) Any guest room or patient room of a hospital, health care  
24 facility, elderly care home or similar establishment.

25 (c) A paging service, a cellular telephone service, a specialized  
26 mobile radio service or any service for which the called party is charged  
27 for the TELEPHONE call.

28 (d) The telephone numbers maintained on a no call list established  
29 pursuant to paragraph 2 of this subsection.

30 6. Initiate an outbound TELEPHONE call except as provided in 47  
31 Code of Federal Regulations, section 64.1200 or 16 Code of Federal  
32 Regulations section 310.4.

33 C. Failure to comply with this article is an unlawful practice  
34 pursuant to section 44-1522. The attorney general may investigate and  
35 take appropriate action as prescribed by chapter 10, article 7 of this  
36 title.

37 D. The provisions of this article are in addition to all other  
38 causes of action, remedies and penalties available to this state.

39 E. The attorney general may bring an action in federal court in  
40 accordance with 15 United States Code sections 6101 through 6108.