

REFERENCE TITLE: referral agencies; fees

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

HB 4085

Introduced by
Representative Keshel

AN ACT

AMENDING SECTION 36-446.14, ARIZONA REVISED STATUTES; RELATING TO ASSISTED LIVING FACILITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 36-446.14, Arizona Revised Statutes, is amended
3 to read:

4 36-446.14. Referral agencies; assisted living facilities and
5 assisted living homes; disclosure;
6 acknowledgement; fee; notice; requirements;
7 civil penalty; definitions

8 A. A referral agency shall disclose, in the form prescribed by
9 subsection D of this section, to any prospective resident or
10 representative of a prospective resident at the time or before any
11 referral is made for care at an assisted living facility or assisted
12 living home all of the following:

13 1. The existence of any current business relationship or any common
14 ownership or control and any other financial, business, management or
15 familial relationship that exists between the referral agency and the
16 assisted living facility or assisted living home.

17 2. That the assisted living facility or assisted living home pays a
18 fee to the referral agency in connection with the referral.

19 3. The amount of the fee, if determined, or a good faith estimate
20 of the fee, if not determined, that the assisted living facility or
21 assisted living home will pay to the referral agency. The referral agency
22 may describe the fee as a dollar amount or as a percentage of the
23 prospective resident's first month's rent ~~and care charges~~ at the ASSISTED
24 LIVING facility or ASSISTED LIVING home. THE FEE PAID BY THE ASSISTED
25 LIVING FACILITY OR ASSISTED LIVING HOME TO A REFERRAL AGENCY MAY NOT
26 EXCEED FIFTY PERCENT OF THE PROSPECTIVE RESIDENT'S FIRST MONTH'S RENT.
27 FOR A RESIDENT WHO STAYS FOR LESS THAN THIRTY DAYS AT AN ASSISTED LIVING
28 FACILITY OR ASSISTED LIVING HOME, THE FEE PAID TO A REFERRAL AGENCY MAY
29 NOT EXCEED TWENTY-FIVE PERCENT OF THE FIRST MONTH'S RENT.

30 B. After the first instance of the referral agency providing the
31 disclosure required by subsection A of this section, the referral agency
32 shall request from the prospective resident or representative of a
33 prospective resident an acknowledgement of receiving the disclosure in the
34 same manner and form in which the disclosure was delivered.

35 C. The prospective resident may terminate all services of the
36 referral agency for the prospective resident at any time, including the
37 use of the prospective resident's personal information, by providing a
38 written or electronic termination notice to the referral agency. If the
39 prospective resident delivers a termination notice, the referral agency is
40 not entitled to any fee for the resident's move-in after the date of the
41 termination notice unless either of the following applies:

42 1. The assisted living facility or assisted living home chosen by
43 the resident within twelve months after the date of termination was
44 specifically identified and referred to the resident after evaluating the

1 prospective resident's profile and requests before the resident delivered
2 the notice of termination.

3 2. The referral agency provides documentation to the assisted
4 living facility or assisted living home that the resident communicated
5 with the referral agency for referral services before the resident's
6 admission to the assisted living facility or assisted living home.

7 D. The referral agency's written, electronic or oral disclosure
8 shall be in the following format and, if written, shall be in
9 fourteen-point font type:

10 Arizona law requires that we provide you with the
11 following disclosure notice.

12 We are in the business of referring residents to
13 assisted living facilities and assisted living homes. We will
14 be paid by the ASSISTED LIVING facility or ASSISTED LIVING
15 home if you move into one of the referred ASSISTED LIVING
16 facilities or ASSISTED LIVING homes. The fee we receive from
17 the ASSISTED LIVING facility or ASSISTED LIVING home into
18 which you move typically ranges from (____) to (____) percent
19 of your first month's rent ~~and care charges~~ or from (\$____) to
20 (\$____). We (do/do not) have a current business relationship
21 (but/and) we (do/do not) have a common ownership or control
22 in, or any other financial, business, management or familial
23 relationship with, (any) (one or more) of the ASSISTED LIVING
24 homes and ASSISTED LIVING facilities to which we are referring
25 you.

26 By providing us with a written or electronic notice, you
27 have the right to terminate our services to you at any time,
28 including our use of your personal information. If you
29 terminate our services, we will not be entitled to any fee for
30 any move-in you make after the date of the termination notice
31 unless either:

32 1. The ASSISTED LIVING facility or ASSISTED LIVING home
33 you choose within the next twelve months is one that we
34 specifically identify and refer to you after we evaluate your
35 profile and requests but before we receive your notice of
36 termination.

37 2. You communicate with us before you move into the
38 ASSISTED LIVING facility or ASSISTED LIVING home.

39 E. Within fourteen days after a resident is admitted to an assisted
40 living facility or assisted living home, the ASSISTED LIVING facility or
41 ASSISTED LIVING home shall notify the referral agency of the resident's
42 admission if the ASSISTED LIVING facility or ASSISTED LIVING home is
43 contracted with the referral agency. Not later than fourteen days after
44 receiving notice of the resident's admission, the referral agency shall
45 provide the assisted living facility or assisted living home with a

1 written or electronic copy or recording of the disclosure made to the
2 resident and the resident's acknowledgement of receiving the disclosure as
3 prescribed in subsections B and D of this section, along with the date and
4 time of the disclosure to the resident. The assisted living facility or
5 assisted living home shall maintain a copy of the disclosure for as long
6 as the resident is at the ASSISTED LIVING facility or ASSISTED LIVING
7 home. The referral agency shall maintain a copy of the disclosure and
8 acknowledgement for one year. The assisted living facility or assisted
9 living home shall not pay any referral fee associated with a resident
10 until the ASSISTED LIVING facility or ASSISTED LIVING home receives the
11 written or electronic copy or recording of the disclosure made to the
12 resident and the resident's acknowledgement of receiving the disclosure
13 provided and maintained in the same manner and form.

14 F. A referral agency that violates this section is subject to a
15 civil penalty of up to \$1,000 for each violation. The attorney general or
16 a county attorney may institute a proceeding in superior court to recover
17 the civil penalty under this subsection and to restrain and enjoin a
18 violation of this section. Any civil penalty recovered pursuant to this
19 subsection shall be deposited in the general fund of the jurisdiction that
20 prosecuted the violation.

21 G. For the purposes of this section:

22 1. "Electronically" includes an audio recording that conforms with
23 the Arizona rules of evidence, that is maintained by the referral agency
24 and that is transmitted to the assisted living facility or assisted living
25 home and the resident or the resident's representative in a format that
26 can be downloaded.

27 2. "Referral agency":

28 (a) Means a person or entity that provides referrals for a fee that
29 is collected from either the resident or the assisted living facility or
30 assisted living home.

31 (b) Does not include either:

32 (i) An assisted living facility or assisted living home, or its
33 employees.

34 (ii) A resident, a resident's family member or a patron of an
35 assisted living facility or assisted living home who refers a prospective
36 resident to an assisted living facility or assisted living home and
37 receives a discount or other remuneration from the assisted living
38 facility or assisted living home.