

House Engrossed Senate Bill
assisted living facilities; referral agents

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SENATE BILL 1477

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; referral agents; assisted
5 living facilities and assisted living homes;
6 disclosures; acknowledgement; fee; notice;
7 insurance requirements; civil penalty;
8 definitions

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

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

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

20 3. The amount of the fee, if determined, or a good faith estimate
21 of the fee, if not determined, that the assisted living facility or
22 assisted living home will pay to the referral agency. The referral agency
23 may describe the fee as a dollar amount or as a percentage of the
24 prospective resident's first month's rent and care charges at the **ASSISTED**
25 **LIVING** facility or **ASSISTED LIVING** home.

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

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

38 1. The assisted living facility or assisted living home chosen by
39 the resident within twelve months after the date of termination was
40 specifically identified and referred to the resident after evaluating the
41 prospective resident's profile and requests before the resident delivered
42 the notice of termination.

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

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

8 Arizona law requires that we provide you with the
9 following disclosure notice.

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

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

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

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

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

1 prescribed in subsections B and D of this section, along with the date and
2 time of the disclosure to the resident. THE REFERRAL AGENCY SHALL PROVIDE
3 DOCUMENTATION TO THE ASSISTED LIVING FACILITY OR ASSISTED LIVING HOME THAT
4 THE REFERRAL AGENT IS NOT ON THE ADULT PROTECTIVE SERVICES REGISTRY OR, IN
5 THE ALTERNATIVE, SHALL INCLUDE THROUGH CONTRACT OR POLICY AND PROCEDURES
6 THAT THE REFERRAL AGENCY ANNUALLY USES A NATIONALLY ACCREDITED SERVICE
7 PROVIDER TO OBTAIN CRIMINAL HISTORY RECORD INFORMATION FOR NEW EMPLOYEES
8 OF THE REFERRAL AGENCY WHO HAVE DIRECT CONTACT WITH CONSUMERS OR WHO
9 PHYSICALLY ENTER ASSISTED LIVING FACILITIES OR ASSISTED LIVING HOMES FOR
10 THE PURPOSE OF MAKING REFERRALS. The assisted living facility or assisted
11 living home shall maintain a copy of the disclosure for as long as the
12 resident is at the facility or home. The referral agency shall maintain a
13 copy of the disclosure and acknowledgement for one year. The assisted
14 living facility or assisted living home shall not pay any referral fee
15 associated with a resident until the ASSISTED LIVING facility or ASSISTED
16 LIVING home receives the written or electronic copy or recording of the
17 disclosure made to the resident and the resident's acknowledgement of
18 receiving the disclosure provided and maintained in the same manner and
19 form.

20 F. A REFERRAL AGENCY SHALL PROCURE THE FOLLOWING INSURANCE FROM AN
21 INSURER AUTHORIZED TO DO BUSINESS IN THIS STATE:

22 1. COMMERCIAL GENERAL LIABILITY INSURANCE IN AN AMOUNT OF AT LEAST
23 \$1,000,000 PER OCCURRENCE AND \$3,000,000 IN THE AGGREGATE.

24 2. PROFESSIONAL LIABILITY INSURANCE IN AN AMOUNT OF AT LEAST
25 \$1,000,000 PER OCCURRENCE AND \$3,000,000 IN THE AGGREGATE.

26 ~~F.~~ G. A referral agency that violates this section is subject to a
27 civil penalty of up to \$1,000 for each violation. The attorney general or
28 a county attorney may institute a proceeding in superior court to recover
29 the civil penalty under this subsection and to restrain and enjoin a
30 violation of this section. Any civil penalty recovered pursuant to this
31 subsection shall be deposited in the general fund of the jurisdiction that
32 prosecuted the violation.

33 ~~G.~~ H. For the purposes of this section:

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

39 2. "Referral agency" OR "REFERRAL AGENT":

40 (a) Means a person or entity that provides referrals for a fee that
41 is collected from either the resident or the assisted living facility or
42 assisted living home.

1 (b) Does not include either:

2 (i) An assisted living facility or assisted living home, or its
3 employees.

4 (ii) A resident, a resident's family member or a patron of an
5 assisted living facility or assisted living home who refers a prospective
6 resident to an assisted living facility or assisted living home and
7 receives a discount or other remuneration from the assisted living
8 facility or assisted living home.