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SECRETARY OF STATE

Telephonic Seller Overview

In response to growing concerns raised by consumers and businesses relating to unsolicited telephone solicitations, the Secretary of State's Office in conjunction with the [Consumer Fraud Division of the Office of the Attorney General](#) have worked to protect consumers from unwanted telephone sales calls and to provide increased public information.

Telemarketers in Arizona and selling to its citizens are required to register with the Secretary of State pursuant to Arizona Revised Statute ("A.R.S.") § [44-1271 et. seq.](#) On August 6, 1999, a new law (A.R.S. § [44-1272.01](#)) increased the number of telemarketers registered and the amount of information available to the public in order to prevent unwanted or illegal telephone solicitation.

The law eliminates 11 previous exemptions and requires those sellers to file a limited registration statement with the Secretary of State. Sellers who file a limited registration are not required to pay a filing fee or file and maintain a bond. All telemarketers registered must notify the office of the Secretary of State within 10 days of any changes in their filing status.

The law prohibits, when soliciting by telephone, the use of caller identification blocking devices, artificial or prerecorded voices and unsolicited telephone calls to any mobile or telephone paging system and requires telephone solicitors to maintain a "no call" list of consumers who have previously stated a desire to not receive outbound calls from or on behalf of, the seller. This legislation states registration with the Secretary of State does not constitute an approval or endorsement by this state.

To qualify for limited registration you must meet one or more of the following criteria as outlined in A.R.S. § [44-1273\(B\)](#):

The following sellers shall file a limited registration statement:

1. A person acting within the scope of a license issued under title 6 or 32 or by the corporation commission pursuant to this title, except persons licensed under title 6, chapter 13.
2. If soliciting within the scope of the license, any licensed securities, commodities or investments broker, dealer or investment advisor or any licensed associated person of a securities, commodities or investments broker, dealer or investment advisor.
3. An issuer or a subsidiary of an issuer that has a class of securities that is subject to section 12 of the securities exchange act of 1934 (15 United States Code sections 78a through 78II) and that is either registered or exempt from registration under paragraph (A), (B), (C), (E), (F), (G) or (H) or subsection (g)(2) of section 12 of the act. A subsidiary of an issuer that qualifies for exemption under this paragraph is not exempt unless at least sixty per cent of the voting power of the subsidiary's shares is owned by the qualifying issuer or issuers.
4. A person certificated or regulated by the corporation commission pursuant to title 40, chapter 2 or a subsidiary of that person or a federal communications commission licensed cellular telephone company or radio telecommunication services provider.
5. A person making telephone solicitations for a newspaper of general circulation, a magazine or a licensed or franchised cable television system.
6. An issuer or subsidiary of an issuer that is subject to registration under chapter 12, article 6 or 7 of this title or that is exempt from registration under section 44-1843, paragraph 1, 2, 3, 4, 5, 7 or 9.
7. A person making telephone solicitations for the sale or purchase of books, recordings, videocassettes and similar goods through a membership group or club regulated by the federal trade commission or through a contractual plan or arrangement such as a continuity plan, subscription arrangement, series arrangement or single purchase under which the seller ships goods to a consumer who has consented in advance to receive those goods and the recipient is given the opportunity to review goods for at least seven days and to receive a full refund for return of undamaged goods.



8. A person or solicitor for a person when soliciting previous customers, if all of the following apply:
 - a. The person is not offering to sell or selling a security that is not registered with any state or federal authority.
 - b. The person makes the solicitation under the same name as the name used to sell merchandise to the customer previously.
 - c. The person does not operate a recovery service.
 - d. The person does not conduct a prize promotion that requires a consumer to, or implies that to win a consumer must, pay money or purchase merchandise.
 - e. The person has not, or any of its principals have not, within twenty years been convicted in any state of a felony or a crime of moral turpitude, breach of trust, fraud, theft, dishonesty or violation of telephone solicitation laws, been subject to a final judgment in a civil action involving fraud, deceit or misrepresentation or been subject to an administrative order involving fraud, deceit, misrepresentation or any violation of telephone solicitations laws of any agency of this state, another state, the federal government, a territory of the United States or another country.
9. A person making telephone solicitations exclusively for the purpose of the sale of telephone answering services to be provided by that person or that person's employer.
10. Any bank holding company, bank, financial institution, trust company, savings and loan association, credit union, mortgage banker or broker, consumer lender or insurer that is licensed or supervised by an official or agency of this state, any other state or the United States, including any parent, subsidiary or affiliate of these institutions.
11. A person providing telemarketing sales service continuously for at least five years under the same ownership and control that derives seventy-five per cent of its gross telemarketing sales revenues from contracts with persons exempted by this section. A seller using an exempt telemarketing sales service is not exempt unless otherwise qualifying for an exemption under this section.

In order to be exempt from registration you must meet one or more of the following criteria as outlined in A.R.S. § [44-1273\(A\)](#).

1. A person acting within the scope of a license issued under title 20.
2. A person who is registered with the secretary of state pursuant to section 44-6552 or who is exempt from registration pursuant to section 44-6553.
3. A political party, candidate for federal, state or local office or campaign committee required to file financial information with federal, state or local election agencies.
4. A person making telephone solicitations without the intent to complete and who does not complete the sales presentation during the telephone solicitation but completes the sales presentation at a later face-to-face meeting between the solicitor and the consumer provided that the later face-to-face meeting is not for the purpose of collecting the payment or delivering any item purchased.
5. A person who after making a telephone contact with a consumer sends the consumer descriptive literature and does not require payment before the consumer's review of the descriptive literature and the person is not conducting a solicitation involving any of the following:
 - a. The sale of an investment or an opportunity for an investment that is not registered with any state or federal authority.
 - b. A prize promotion or premium.
 - c. A recovery service.
 - d. A business opportunity or merchandise related to a business opportunity.
6. A person or solicitor for a person who operates a retail business establishment under the same name as the name used in the solicitation of sales by telephone, if on a continuing basis all of the following apply:
 - a. Merchandise is displayed and offered for sale or services are offered for sale and provided at the person's business establishment.
 - b. At least fifty per cent of the person's business involves the buyer obtaining the merchandise at the person's business establishment.
 - c. The person holds a transaction privilege tax license pursuant to title 42, chapter 5.
7. A person or solicitor for a person soliciting another business if all of the following occur:



- a. At least fifty per cent of the person's dollar volume consists of repeat sales to existing businesses.
 - b. The person does not conduct a prize promotion that requires or implies that to win a consumer must pay money or purchase merchandise.
 - c. Neither the person nor any of the person's principals has within twenty years been convicted in any state of a felony or crime of moral turpitude, breach of trust, fraud, theft, dishonesty or violation of telephone solicitation laws, been subject to a final judgment in a civil action involving fraud, deceit or misrepresentation or been subject to an administrative order involving fraud, deceit, misrepresentation or any violation of telephone solicitations laws of any agency of this state, another state, the federal government, a territory of the United States or another country.
8. A person or solicitor on behalf of a person who solicits sales by periodically publishing and delivering a catalog to consumers if all of the following apply:
 - a. The catalog contains a written description or illustration of each item offered for sale and the price of each item offered for sale.
 - b. The catalog includes the business address or home office address of the person.
 - c. The catalog includes at least twenty-four pages of written material and illustrations.
 - d. The catalog is distributed in more than one state and has an annual circulation by mail of at least two hundred fifty thousand.

Fully exempted Telephone Solicitation Sellers are not required to file; however, we do provide a [Telephone Solicitation Exemption Form](#) for download which may be filled out and filed at the Office of the Secretary of State, Business Services Division.

If you do not qualify in any of the above categories you are required to file a [Full Telephonic Seller Registration](#) with the Office of the Secretary of State.