

GORMAN FLOOR AMENDMENT #1
SENATE AMENDMENTS TO H.B. 2327
(Reference to House engrossed bill)

1 Page 2, line 12, after "SECTION" insert "AND ALSO SHALL PROVIDE A COPY OF THAT
2 INFORMATION TO THE JOINT LEGISLATIVE BUDGET COMMITTEE"
3 Page 14, line 26, strike "FOR A PERIOD OF AT LEAST TWO CONSECUTIVE YEARS"
4 Page 21, lines 22 and 23, strike "IN ONE OR MORE GROUP TRUSTS"
5 Page 22, line 4, after "or" insert ", SUBJECT TO LEGISLATIVE APPROPRIATION,"
6 Page 24, line 30, strike "OR TRUST"
7 Page 25, strike lines 15 and 16
8 Strike lines 28 and 29, insert:
9 "4. A detailed statement of the investments acquired and disposed of
10 during the year."
11 Renumber to conform
12 Page 27, line 8, strike "not"
13 Line 12, after "Arizona" insert ", OTHER THAN LEGISLATIVE APPROPRIATION FOR THE
14 PAYMENT OF EXPENSES"; after the period strike remainder of line
15 Strike lines 13 through 17
16 Page 30, line 3, strike "6 felony" insert "1 MISDEMEANOR"
17 Page 32, strike lines 3 through 17, insert:
18 "Sec. 13. Section 41-2501, Arizona Revised Statutes, is amended to
19 read:
20 41-2501. Applicability
21 A. This chapter applies only to procurements initiated after January
22 1, 1985 unless the parties agree to its application to procurements initiated
23 before that date.
24 B. This chapter applies to every expenditure of public monies,
25 including federal assistance monies except as otherwise specified in section

1 41-2637, by this state, acting through a state governmental unit as defined
2 in this chapter, under any contract, except that this chapter does not apply
3 to either grants as defined in this chapter, or contracts between this state
4 and its political subdivisions or other governments, except as provided in
5 chapter 24 of this title and in article 10 of this chapter. This chapter
6 also applies to the disposal of state materials. This chapter and rules
7 adopted under this chapter do not prevent any state governmental unit or
8 political subdivision from complying with the terms of any grant, gift,
9 bequest or cooperative agreement.

10 C. All political subdivisions and other local public agencies of this
11 state may adopt all or any part of this chapter and the rules adopted
12 pursuant to this chapter.

13 D. The Arizona board of regents, the legislative and judicial branches
14 of state government and the state compensation fund are not subject to the
15 provisions of this chapter except as prescribed in subsection E of this
16 section.

17 E. The Arizona board of regents and the judicial branch shall adopt
18 rules prescribing procurement policies and procedures for themselves and
19 institutions under their jurisdiction. The rules must be substantially
20 equivalent to the policies and procedures prescribed in this chapter.

21 F. The Arizona state lottery commission is exempt from the provisions
22 of this chapter for procurement relating to the design and operation of the
23 lottery or purchase of lottery equipment, tickets and related materials. The
24 executive director of the Arizona state lottery commission shall adopt rules
25 substantially equivalent to the policies and procedures in this chapter for
26 procurement relating to the design and operation of the lottery or purchase
27 of lottery equipment, tickets or related materials. All other procurement
28 shall be as prescribed by this chapter.

29 G. The Arizona health care cost containment system administration is
30 exempt from the provisions of this chapter for provider contracts pursuant to
31 section 36-2904, subsection A and contracts for goods and services including
32 program contractor contracts pursuant to title 36, chapter 29, articles 2

1 and 3. All other procurement, including contracts for the statewide
2 administrator of the program pursuant to section 36-2903, subsection B, shall
3 be as prescribed by this chapter.

4 H. Arizona industries for the blind is exempt from the provisions of
5 this chapter for purchases of finished goods from members of national
6 industries for the blind and for purchases of raw materials for use in the
7 manufacture of products for sale pursuant to section 41-1972. All other
8 procurement shall be as prescribed by this chapter.

9 I. Arizona correctional industries is exempt from the provisions of
10 this chapter for purchases of raw materials, components and supplies that are
11 used in the manufacture or production of goods or services for sale entered
12 into pursuant to section 41-1622. All other procurement shall be as
13 prescribed by this chapter.

14 J. The state transportation board and the director of the department
15 of transportation are exempt from the provisions of this chapter other than
16 section 41-2586 for the procurement of construction or reconstruction,
17 including engineering services, of transportation facilities or highway
18 facilities and any other services that are directly related to land titles,
19 appraisals, real property acquisition, relocation, property management or
20 building facility design and construction for highway development and that
21 are required pursuant to title 28, chapter 20.

22 K. The Arizona highways magazine is exempt from the provisions of this
23 chapter for contracts for the production, promotion, distribution and sale of
24 the magazine and related products and for contracts for sole source creative
25 works entered into pursuant to section 28-7314, subsection A, paragraph 5.
26 All other procurement shall be as prescribed by this chapter.

27 L. The secretary of state is exempt from the provisions of this
28 chapter for contracts entered into pursuant to section 41-1012 to publish and
29 sell the administrative code. All other procurement shall be as prescribed
30 by this chapter.

31 M. The provisions of this chapter are not applicable to contracts for
32 professional witnesses if the purpose of such contracts is to provide for

1 professional services or testimony relating to an existing or probable
2 judicial proceeding in which this state is or may become a party or to
3 contract for special investigative services for law enforcement purposes.

4 N. The head of any state governmental unit, in relation to any
5 contract exempted by this section from the provisions of this chapter, has
6 the same authority to adopt rules, procedures or policies as is delegated to
7 the director pursuant to this chapter.

8 O. Agreements negotiated by legal counsel representing this state in
9 settlement of litigation or threatened litigation are exempt from the
10 provisions of this chapter.

11 P. The provisions of this chapter are not applicable to contracts
12 entered into by the department of economic security:

13 1. With a provider licensed or certified by an agency of this state to
14 provide child day care services or with a provider of family foster care
15 pursuant to section 8-503 or 36-554.

16 2. With area agencies on aging created pursuant to the older Americans
17 act of 1965 (P.L. 89-73; 79 Stat. 218; 42 United States Code sections 3001
18 through 3058ee).

19 3. For services pursuant to title 36, chapter 29, article 2.

20 4. With an eligible entity as defined by Public Law 105-285, section
21 673(1)(a)(i), as amended, for designated community services block grant
22 program monies and any other monies given to the eligible entity that
23 accomplishes the purpose of Public Law 105-285, section 672.

24 Q. The department of health services may not require that persons with
25 whom it contracts follow the provisions of this chapter for the purposes of
26 subcontracts entered into for the provision of the following:

27 1. Mental health services pursuant to section 36-189, subsection B.
28 2. Services for the seriously mentally ill pursuant to title 36,
29 chapter 5, article 10.

30 3. Drug and alcohol services pursuant to section 36-141.

31 4. Domestic violence services pursuant to title 36, chapter 30,
32 article 1.

1 R. The department of health services is exempt from the provisions of
2 this chapter for contracts for services of physicians at the Arizona state
3 hospital.

4 S. Contracts for goods and services approved by the fund manager of
5 the public safety personnel retirement system are exempt from the provisions
6 of this chapter.

7 T. S. The Arizona department of agriculture is exempt from this
8 chapter with respect to contracts for private labor and equipment to effect
9 cotton or cotton stubble plow-up pursuant to rules adopted under title 3,
10 chapter 2, article 1. On or before September 1 of each year, the director of
11 the Arizona department of agriculture shall establish and announce costs for
12 each acre of cotton or cotton stubble to be abated by private contractors.

13 U. T. The Arizona state parks board is exempt from the provisions of
14 this chapter for purchases of guest supplies and items for resale such as
15 food, linens, gift items, sundries, furniture, china, glassware and utensils
16 for the facilities located in the Tonto natural bridge state park.

17 V. U. The Arizona state parks board is exempt from the provisions of
18 this chapter for the purchase, production, promotion, distribution and sale
19 of publications, souvenirs and sundry items obtained and produced for resale.

20 W. V. The Arizona state schools for the deaf and the blind are exempt
21 from the provisions of this chapter when purchasing products through a
22 cooperative that is organized and operates in accordance with state law if
23 such products are not available on a statewide contract and are related to
24 the operation of the schools or are products for which special discounts are
25 offered for educational institutions.

26 X. W. Expenditures of monies in the morale, welfare and recreational
27 fund established by section 26-153 are exempt from the provisions of this
28 chapter.

29 Y. X. Notwithstanding section 41-2534, the director of the state
30 department of corrections may contract with local medical providers in
31 counties with a population of less than four hundred thousand persons

1 according to the most recent United States decennial census for the following
2 purposes:

3 1. To acquire hospital and professional medical services for inmates
4 who are incarcerated in state department of corrections facilities that are
5 located in those counties.

6 2. To ensure the availability of emergency medical services to inmates
7 in all counties by contracting with the closest medical facility that offers
8 emergency treatment and stabilization.

9 ~~Z.~~ Y. The department of environmental quality is exempt from the
10 provisions of this chapter for contracting for procurements relating to the
11 water quality assurance revolving fund program established pursuant to title
12 49, chapter 2, article 5. The department shall engage in a source selection
13 process that is similar to the procedures prescribed by this chapter. The
14 department may contract for remedial actions with a single selection process.
15 The exclusive remedy for disputes or claims relating to contracting pursuant
16 to this subsection is as prescribed by article 9 of this chapter and the
17 rules adopted pursuant to that article. All other procurement by the
18 department shall be as prescribed by this chapter.

19 ~~AA.~~ Z. The motor vehicle division of the department of transportation
20 is exempt from the provisions of this chapter for third party authorizations
21 pursuant to title 28, chapter 13, only if all of the following conditions
22 exist:

23 1. The division does not pay any public monies to an authorized third
24 party.

25 2. Exclusivity is not granted to an authorized third party.

26 3. The director has complied with the requirements prescribed in title
27 28, chapter 13 in selecting an authorized third party.

28 ~~BB.~~ AA. This section does not exempt third party authorizations
29 pursuant to title 28, chapter 13 from any other applicable law.

30 ~~CC.~~ BB. The state forester is exempt from the provisions of this
31 chapter for purchases and contracts relating to wild land fire suppression
32 and pre-positioning equipment resources and for other activities related to

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1 combatting wild land fires and other unplanned risk activities, including
2 fire, flood, earthquake, wind and hazardous material responses. All other
3 procurement by the state forester shall be as prescribed by this chapter.

4 ~~DD.~~ CC. The cotton research and protection council is exempt from the
5 provisions of this chapter for procurements relating to its aflatoxin control
6 program and for contracts for research programs related to cotton production
7 or protection.

8 ~~EE.~~ DD. Expenditures of monies in the Arizona agricultural protection
9 fund established by section 3-3304 are exempt from this chapter."

10 Amend title to conform

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