

State of Arizona  
House of Representatives  
Forty-fifth Legislature  
First Regular Session  
2001

CHAPTER 375

# HOUSE BILL 2582

AN ACT

AMENDING TITLE 41, CHAPTER 23, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 13; MAKING AN APPROPRIATION; RELATING TO ON-LINE BIDDING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 41, chapter 23, Arizona Revised Statutes, is amended  
3 by adding article 13, to read:

4 ARTICLE 13. ON-LINE BIDDING

5 41-2671. Definitions

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "INFORMATION SERVICES" MEANS DATA PROCESSING, TELECOMMUNICATIONS  
8 AND OFFICE SYSTEMS TECHNOLOGIES AND SERVICES.

9 2. "INTERNET" MEANS THE INTERNATIONAL COMPUTER NETWORK OF BOTH FEDERAL  
10 AND NONFEDERAL INTEROPERABLE PACKET SWITCHED DATA NETWORKS, INCLUDING THE  
11 GRAPHICAL SUBNETWORK CALLED THE WORLD WIDE WEB.

12 3. "ON-LINE BIDDING" MEANS A PROCUREMENT PROCESS IN WHICH PUBLIC  
13 AGENCIES RECEIVE VENDORS' BIDS FOR GOODS, SERVICES, CONSTRUCTION OR  
14 INFORMATION SERVICES ELECTRONICALLY OVER THE INTERNET IN A REAL-TIME,  
15 COMPETITIVE BIDDING EVENT.

16 41-2672. On-line bidding

17 A. IF A PROCUREMENT OFFICER DETERMINES THAT ELECTRONIC, ON-LINE  
18 BIDDING IS MORE ADVANTAGEOUS THAN OTHER PROCUREMENT METHODS PROVIDED IN THIS  
19 CHAPTER, A PROCUREMENT OFFICER MAY USE ON-LINE BIDDING TO OBTAIN BIDS  
20 ELECTRONICALLY FOR THE PURCHASE OF GOODS, SERVICES, CONSTRUCTION AND  
21 INFORMATION SERVICES.

22 B. AN ON-LINE BIDDING SOLICITATION MUST DESIGNATE AN OPENING DATE AND  
23 TIME.

24 C. THE CLOSING DATE AND TIME FOR AN ON-LINE SOLICITATION MAY BE FIXED  
25 OR REMAIN OPEN DEPENDING ON THE STRUCTURE OF THE ITEM BEING BID ON  
26 LINE. INFORMATION REGARDING THE CLOSING DATE AND TIME MUST BE INCLUDED IN  
27 THE SOLICITATION. AT THE OPENING DATE AND TIME, THE PURCHASING AGENCY MUST  
28 BEGIN ACCEPTING ON-LINE BIDS AND MUST CONTINUE ACCEPTING BIDS UNTIL THE BID  
29 IS OFFICIALLY CLOSED.

30 D. ALL ON-LINE BIDS MUST BE POSTED ELECTRONICALLY AND UPDATED ON A  
31 REAL-TIME BASIS.

32 E. PURCHASING AGENCIES MAY:

33 1. REQUIRE BIDDERS TO REGISTER BEFORE THE OPENING DATE AND TIME AND,  
34 AS PART OF THAT REGISTRATION, REQUIRE BIDDERS TO AGREE TO ANY TERMS,  
35 CONDITIONS OR OTHER REQUIREMENTS OF THE SOLICITATION.

36 2. PREQUALIFY BIDDERS AND ALLOW ONLY THOSE BIDDERS WHO ARE  
37 PREQUALIFIED TO SUBMIT BIDS ON LINE.

38 F. PURCHASING AGENCIES RETAIN THEIR EXISTING AUTHORITY TO DETERMINE  
39 THE CRITERIA THAT WILL BE USED AS A BASIS FOR MAKING AWARDS.

40 G. SECTIONS 41-2533 AND 41-2534 DO NOT APPLY TO SOLICITATIONS ISSUED  
41 PURSUANT TO THIS SECTION, EXCEPT THAT:

42 1. ALL BIDS SUBMITTED ELECTRONICALLY THROUGH AN ON-LINE BIDDING  
43 PROCESS ARE PUBLIC INFORMATION AND ARE SUBJECT TO THE SAME PUBLIC DISCLOSURE  
44 LAWS THAT GOVERN BIDS RECEIVED THROUGH THE SEALED BID PROCESS.

1 2. ALL REMEDIES AVAILABLE TO PURCHASING AGENCIES AND TO BIDDERS  
2 THROUGH THE SEALED BID PROCESS UNDER THIS CHAPTER ARE ALSO AVAILABLE TO  
3 PURCHASING AGENCIES AND BIDDERS IN AN ON-LINE BIDDING PROCESS.

4 41-2673. State electronic commerce fund

5 A. THE STATE ELECTRONIC COMMERCE FUND IS ESTABLISHED CONSISTING OF  
6 MONIES APPROPRIATED BY THE LEGISLATURE AND ANY GIFTS, GRANTS OR DEVISES FOR  
7 THE BENEFIT OF THE FUND. THE DEPARTMENT SHALL ADMINISTER THE FUND. MONIES  
8 IN THE FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS  
9 OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

10 B. MONIES IN THE FUND SHALL BE USED TO HELP FINANCE ELECTRONIC  
11 COMMERCE INITIATIVES BY PURCHASING AGENCIES IF OTHER FUNDING MECHANISMS DO  
12 NOT EXIST OR CANNOT BE USED. THE DEPARTMENT SHALL DISBURSE MONIES IN THE  
13 FUND TO PURCHASING AGENCIES BASED ON AGENCY REQUESTS AND STATEWIDE ELECTRONIC  
14 COMMERCE PRIORITIES.

15 C. IF A PURCHASING AGENCY REALIZES SAVINGS THROUGH IMPLEMENTATION OF  
16 ITS ELECTRONIC COMMERCE INITIATIVE FUNDED BY THE STATE ELECTRONIC COMMERCE  
17 FUND, THE PURCHASING AGENCY SHALL REPAY THE FUND THE AMOUNT OF MONIES  
18 ORIGINALLY DISBURSED TO THE AGENCY PLUS TEN PER CENT OF THE AGENCY  
19 SAVINGS. THE PURCHASING AGENCY MAY RETAIN THE REMAINDER OF THE SAVINGS  
20 GENERATED THROUGH ITS ELECTRONIC COMMERCE INITIATIVE.

21 D. ON NOTICE FROM THE DEPARTMENT, THE STATE TREASURER SHALL INVEST AND  
22 DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND MONIES EARNED  
23 FROM INVESTMENT SHALL BE CREDITED TO THE FUND.

24 Sec. 2. Appropriation; purpose

25 The sum of \$200,000 is appropriated from the state general fund in  
26 fiscal year 2001-2002 to the department of administration for deposit into  
27 the state electronic commerce fund established by section 41-2673, Arizona  
28 Revised Statutes, as added by this act.

29 Sec. 3. Emergency

30 This act is an emergency measure that is necessary to preserve the  
31 public peace, health or safety and is operative immediately as provided by  
32 law.

APPROVED BY THE GOVERNOR MAY 4, 2001.  
FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 8, 2001.





HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

May 02, 2001,

by the following vote: 53 Ayes,

3 Nays, 4 Not Voting  
*with emergency*  
Jake Flake  
Speaker of the House  
*Pro Tempore*  
Norman L. Morse  
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

2 day of May, 2001,

at 1:10 o'clock P M.

Sandra Ramirez  
Secretary to the Governor

Approved this 4th day of

May, 2001,

at 3:05 o'clock P M.

Janice Killebrew  
Governor of Arizona

H.B. 2582

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 8 day of May, 2001,

at 2:35 o'clock P M.

Christy Bayless  
Secretary of State