

Senate Engrossed House Bill

**FILED**

**KEN BENNETT  
SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fiftieth Legislature  
Second Regular Session  
2012

CHAPTER 110

# **HOUSE BILL 2319**

AN ACT

AMENDING SECTION 12-821.01, ARIZONA REVISED STATUTES; RELATING TO ACTIONS AGAINST PUBLIC ENTITIES OR PUBLIC EMPLOYEES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 12-821.01, Arizona Revised Statutes, is amended to  
3 read:

4 12-821.01. Authorization of claim against public entity or  
5 public employee

6 A. Persons who have claims against a public entity or a public  
7 employee shall file claims with the person or persons authorized to accept  
8 service for the public entity or public employee as set forth in the Arizona  
9 rules of civil procedure within one hundred eighty days after the cause of  
10 action accrues. The claim shall contain facts sufficient to permit the  
11 public entity or public employee to understand the basis upon which liability  
12 is claimed. The claim shall also contain a specific amount for which the  
13 claim can be settled and the facts supporting that amount. Any claim which  
14 is not filed within one hundred eighty days after the cause of action accrues  
15 is barred and no action may be maintained thereon.

16 B. For purposes of this section, a cause of action accrues when the  
17 damaged party realizes he or she has been damaged and knows or reasonably  
18 should know the cause, source, act, event, instrumentality or condition which  
19 caused or contributed to the damage.

20 C. Notwithstanding subsection A, any claim which must be submitted to  
21 a binding or nonbinding dispute resolution process or an administrative  
22 claims process or review process pursuant to a statute, ordinance,  
23 resolution, administrative or governmental rule or regulation, or contractual  
24 term shall not accrue for the purposes of this section until all such  
25 procedures, processes or remedies have been exhausted. The time in which to  
26 give notice of a potential claim and to sue on the claim shall run from the  
27 date on which a final decision or notice of disposition is issued in an  
28 alternative dispute resolution procedure, administrative claim PROCESS or  
29 review process. This ~~provision~~ SUBSECTION shall not be construed to prevent  
30 the parties to any contract from agreeing to extend the time for filing such  
31 notice of claim.

32 D. Notwithstanding subsection A, a minor or an insane or incompetent  
33 person may file a claim within one hundred eighty days after the disability  
34 ceases.

35 E. A claim against a public entity or public employee filed pursuant  
36 to this section is deemed denied sixty days after the filing of the claim  
37 unless the claimant is advised of the denial in writing before the expiration  
38 of sixty days.

39 F. This section shall apply to all causes of action which accrue on or  
40 after ~~the effective date of this section~~ JULY 17, 1994.

41 G. THIS SECTION DOES NOT APPLY TO ANY CLAIM FOR JUST COMPENSATION  
42 PURSUANT TO CHAPTER 8, ARTICLE 2.1 OF THIS TITLE.

1           Sec. 2. Legislative findings

2           The legislature finds that the purpose of this act is to address the  
3 February 22, 2011, court of appeals decision in *Turner v. City of Flagstaff*,  
4 226 Ariz. 341, 247 P.3d 1011 (App. 2011). The court held that a property  
5 owner seeking just compensation pursuant to the Arizona Private Property  
6 Rights Protection Act (PPRPA), title 12, chapter 8, article 2.1, Arizona  
7 Revised Statutes, must send both a written demand pursuant to section  
8 12-1134, subsection E, Arizona Revised Statutes, and a notice of claim  
9 pursuant to section 12-821.01, Arizona Revised Statutes, before filing a  
10 lawsuit. The legislature finds that compelling a property owner to comply  
11 with both pre-suit requirements rather than just PPRPA's requirements burdens  
12 property rights and appears to contravene PPRPA's intent to secure greater  
13 protection for property rights.

APPROVED BY THE GOVERNOR MARCH 28, 2012.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 29, 2012.

Passed the House February 23, 2012

Passed the Senate March 20, 2012

by the following vote: 59 Ayes,

by the following vote: 29 Ayes,

0 Nays, 0 Not Voting  
/ vacant

0 Nays, 1 Not Voting

[Signature]  
Speaker of the House

[Signature]  
President of the Senate

[Signature]  
Chief Clerk of the House

[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

           day of           , 20    

at            o'clock            M.

            
Secretary to the Governor

Approved this            day of

          

at            o'clock            M.

            
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this            day of           , 20    

at            o'clock            M.

            
Secretary of State

H.B. 2319

HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

March 26, 2012,

by the following vote: 55 Ayes,

0 Nays, 5 Not Voting

  
Speaker of the House

  
Cheryl Laub  
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

26 day of March, 2012,

at 3:30 o'clock P M.

  
Secretary to the Governor

Approved this 28<sup>th</sup> day of

March, 2012,

at 4:03 o'clock P. M.

  
Governor of Arizona

H.B. 2319

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State  
this 29<sup>th</sup> day of March, 2012,

at 8:05 o'clock a M.

  
Secretary of State