

State of Arizona  
Senate  
Fifty-third Legislature  
First Regular Session  
2017

Senate Engrossed  
**FILED**  
**MICHELE REAGAN**  
**SECRETARY OF STATE**

CHAPTER 111  
**SENATE BILL 1164**

AN ACT

AMENDING SECTIONS 41-2567 AND 41-2573, ARIZONA REVISED STATUTES; RELATING  
TO THE ARIZONA PROCUREMENT CODE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 41-2567, Arizona Revised Statutes, is amended to  
3 read:

4 41-2567. Specifications for energy consumptive material

5 ~~In conjunction with the governor's office of energy policy,~~ The  
6 director shall establish specifications based on NATIONAL STANDARDS FOR  
7 considerations of energy conservation for the procurement of selected  
8 energy consumptive material.

9 Sec. 2. Section 41-2573, Arizona Revised Statutes, is amended to  
10 read:

11 41-2573. Bid security

12 A. As a guarantee that the contractor will enter into a contract,  
13 bid security is required for all construction procured pursuant to section  
14 41-2533 and all construction services procured pursuant to section  
15 41-2578, subsection F or section 41-2579, subsection F if the purchasing  
16 agency estimates that the budget for construction, excluding the cost of  
17 any finance services, maintenance services, operations services, design  
18 services, preconstruction services or other related services included in  
19 the contract, will be more than the amount established by section 41-2535,  
20 subsection D. Bid security shall be a certified check, ~~cashier's check~~ or  
21 surety bond.

22 B. Bid security shall be submitted in the following amounts:

23 1. For design-bid-build construction services, ~~ten per cent~~ PERCENT  
24 of the contractor's bid.

25 2. For design-build construction services awarded by competitive  
26 sealed proposals pursuant to section 41-2578, subsection F, ~~ten per cent~~  
27 PERCENT of the purchasing agency's construction budget for the project as  
28 stated in the request for proposals, excluding finance services,  
29 maintenance services, operations services, design services,  
30 preconstruction services or any other related services included in the  
31 contract.

32 3. For job-order-contracting construction services awarded by  
33 competitive sealed proposals pursuant to section 41-2578, subsection F or  
34 section 41-2579, subsection F, the amount prescribed by the purchasing  
35 agency in the request for proposals, but not more than ~~ten per cent~~  
36 PERCENT of the purchasing agency's reasonably estimated budget for  
37 construction that the purchasing agency believes is likely to actually be  
38 done during the first year under the contract, excluding any finance  
39 services, maintenance services, operations services, design services,  
40 preconstruction services or other related services included in the  
41 contract.

42 C. ~~Nothing in~~ This section ~~prevents~~ DOES NOT PREVENT a state  
43 governmental unit from requiring such bid security in relation to any  
44 construction contract. The surety bond shall be executed and furnished as  
45 required by title 34, chapter 2 or chapter 6, as applicable, and the

1 conditions and provisions of the surety bond regarding the surety's  
2 obligations shall follow the form required by section 34-201 or 34-608, as  
3 applicable.

4 D. If the invitation for bids or request for proposals requires  
5 security, noncompliance requires that the bid be rejected unless, pursuant  
6 to rules, it is determined that the bid fails to comply in a  
7 nonsubstantial manner with the security requirements.

8 E. After the bids or proposals are opened, they are irrevocable for  
9 the period specified in the invitation for bids or request for proposals,  
10 except as provided in section 41-2533, subsection F, section 41-2578,  
11 subsection F and section 41-2579, subsection F. If a bidder is permitted  
12 to withdraw its bid before award, no action may be had against the bidder  
13 or the bid security.

**APPROVED BY THE GOVERNOR MARCH 29, 2017.**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 29, 2017.**

Passed the House March 23, 20 17,

Passed the Senate February 14, 20 17,

by the following vote: 38 Ayes,

by the following vote: 30 Ayes,

17 Nays, 5 Not Voting

0 Nays, 0 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 was received by the Governor this

27 day of March, 20 17,

at 1:51 o'clock P. M.

[Signature]  
Secretary to the Governor

Approved this 29<sup>th</sup> day of

March, 20 17,

at 2:45 o'clock P. M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 29 day of March, 20 17,

at 4:59 o'clock P. M.

[Signature]  
Secretary of State

S.B. 1164