



Legislative Update

The Arizona Procurement Code (the Code) is getting a major overhaul, effective September 13th of this year. If your company is interested in doing business with the State, or already does, here are two significant changes to keep in mind.

RFQ AGGREGATE DOLLAR AMOUNT DOUBLED

Currently, State purchases between \$5,000 and \$50,000 are made pursuant to the simple and efficient request for quotation (RFQ) process, and procurement officers are allowed to make purchases of \$5,000 or less without requesting competitive quotations.

A newly enacted amendment to the Code doubles the aggregate dollar amount for RFQ procurements – meaning, starting September 13th, State procurements between \$5,000 and \$100,000 will be solicited and awarded through the RFQ process, making it easier for your company to compete for and secure more valuable contracts.

CRIMINAL CONSEQUENCES FOR EMPLOYMENT OFFERS

Businesses must also be aware that a new statute makes it a criminal offense to offer employment to State procurement officers and employees under certain circumstances.

Aimed at increasing transparency and protecting against improper influence or conflicts of interest, the statute prohibits any person or company that may respond to a solicitation from offering employment to a State procurement officer or employee, or other State employee with a significant role in that procurement, within the proscribed period of time.

The time period begins when the first nondisclosure agreement on the solicitation is signed (notice will be posted on the [ADOA website](#)), or when a request for sole source procurement is made; and the time period ends one year after the purchased materials are delivered or the service or construction begins.

A person who knowingly violates this statute is guilty of a class 2 misdemeanor. If convicted, a first-time offender could be incarcerated for up to four months and will be ineligible to hold a position in the State personnel system for five years. Procurement lobbyists and State procurement officers and employees who engage in similar conduct will face similar consequences.

These and other amendments to the Code effectuated by HB2599 can be found on the [Arizona State Legislature website](#). Remember, the Code only applies, with some exceptions, to public expenditures by [State governmental units](#).

PROCUREMENT IN THE NEWS

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[Glendale Contracts with IceArizona Group](#)

[Phoenix Sky Harbor Airport Terminal 3 Modernization Moving Forward](#)

[Maricopa County Behavioral Health Contract Stayed](#)

[Valley Metro Implements Buy Local Program](#)

[Chandler Tourism Office Receives Approx. One Dozen Responses to Social Media Expert RFP](#)

[State Legislature Limits Indemnification in Public Construction Contracts](#)

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