

HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **H.B. 2336**

Fann Floor Amendment

HB 2336 establishes prompt payment requirements for *Design Professionals* who perform architectural, engineering, geological, landscape and survey work on construction projects.

FANN Floor Amendment

The FANN Floor Amendment includes the provisions from the *Commerce Committee* amendment and further amends the bill as follows:

- Permits ADOT to send notice (regarding the invoice for progress payments) to the consultant or contractor by electronic mail. Current law requires notice by first class mail.
- Modifies the definition of *Design Professional Service Contract* to mean a *written* agreement, rather than a written or oral agreement.
- Outlines the necessary elements for an advance notice to proceed by a *Design Professional*.
- Makes technical, clarifying and conforming changes.

Amendment explanation prepared by Diana Clay

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2/25/2015

FANN SUBSTITUTE FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2336

I move the following SUBSTITUTE amendment to the COMMERCE Committee
Amendment to
HOUSE BILL 2336 (Reference to printed bill)

- 1 Page 1, line 15, after "mail" insert "OR BY ELECTRONIC MEANS"
- 2 Page 2, line 9, strike "CONTRACTOR OR CONSULTANT" insert "DESIGN PROFESSIONAL"
- 3 Strike line 10, insert "A LIMITED NOTICE TO PROCEED"
- 4 Strike lines 13 through 15; line 16, strike "MODIFICATION."
- 5 Lines 18 and 19, strike "PRESUMPTIVE AGREED OR REASONABLE VALUE" insert "FAIR
6 AND REASONABLE COST"
- 7 Line 20, after the period insert "IF THE PARTIES FAIL TO SUCCESSFULLY NEGOTIATE
8 AND SIGN A CONTRACT OR CONTRACT MODIFICATION, THE CONTRACTOR OR CONSULTANT
9 SHALL BE PAID FOR COSTS INCURRED PURSUANT TO THE LIMITED NOTICE TO PROCEED
10 AND SUBJECT TO THE DEPARTMENT'S COST ALLOWABILITY GUIDELINES. FOR PURPOSES
11 OF THIS SECTION, "DESIGN PROFESSIONAL" MEANS AN INDIVIDUAL OR FIRM REGISTERED
12 BY THE BOARD TO PRACTICE ARCHITECTURE, ENGINEERING, GEOLOGY, LANDSCAPE
13 ARCHITECTURE OR LAND SURVEYING OR ANY COMBINATION OF THOSE PROFESSIONS AND
14 PERSONS EMPLOYED BY THE REGISTERED INDIVIDUAL OR FIRM."
- 15 Strike lines 24 through 45
- 16 Strike pages 3 through 7
- 17 Page 8, strike lines 1 through 6
- 18 Renumber to conform
- 19 Page 11, line 42, strike "OR ORAL"
- 20 Page 12, line 33, strike "OR ORAL"
- 21 Page 14, line 41, after the first "construction" insert "AND IN A CONTRACT FOR
22 DESIGN SERVICES"; strike the second "construction"
- 23 Line 42, strike "services contract ~~for~~" insert "AND IN A CONTRACT for"; strike
24 the first comma

- 1 Page 15, lines 11 and 12, strike "title 32, chapter 1, article 4, Arizona Revised
- 2 Statutes,"
- 3 Amend title to conform

KAREN FANN

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