INTRODUCTION TO THE 2026-2027 EDITION

The Arizona Construction Law Annotated 2026-2027 Edition provides concise reference work for those in the legal, construction, and government procurement industries of the regulatory topics of interest to those fields. It includes up-to-date references to Arizona's constitutional, statutory, and regulatory framework on the subjects of construction law and government procurement.

Highlights of this year's edition include:

- A.R.S. §§ 9-500.54 and 11-269.31 add a new "malicious delay" cause of action that bars a municipality from maliciously delaying adopted licensing time frames for single-family residential construction applications, enforceable by the Attorney General on a property owner's written complaint and carrying a flat $5,000 civil penalty per violation regardless of delay duration.
- A.R.S. § 32-1158.02 - New subsection O bars a contractor from soliciting a homeowner to sign a repair agreement while a loss-producing event or an active fire department/public-safety emergency response is still underway at the damaged premises.
- *Marketech Int'l Corp. USA, Inc. v. Process Serv. Specialists, L.L.C.,* 261 Ariz. 166, 581 P.3d 725 (App. 2025), review continued (June 26, 2026) - holds that an arbitration clause in a contract signed while the contractor was unlicensed is unenforceable absent renegotiation or substantial compliance with licensing law.
- *Parra v. Mancillas*, 261 Ariz. 521, 586 P.3d 118 (App. 2026) – addresses when a property owner must affirmatively move to quash a lis pendens rather than relying solely on a groundlessness finding.
- *Wagner v. Arizona Mun. Risk Retention Pool*, 261 Ariz. 498, 585 P.3d 816 (App. 2026), under the notice-of-claim statute (A.R.S. § 12-821) a municipal risk-retention pool is a public entity.
- *Sanchez v. Maricopa Cnty.*, 260 Ariz. 136, 572 P.3d 101 (2025), a county sheriff — rather than the county itself — was the proper public entity for a notice of claim where a deputy sheriff, acting under the sheriff's control, caused a vehicle collision while on du-ty, rendering the sheriff vicariously liable in his official capacity.
- *Simms v. Arizona Racing Comm'n*, 262 Ariz. 170, 589 P.3d 402 (2026), which holds that a reviewing superior court may supplement the administrative record with an evidentiary hearing but may not conduct a full trial de novo, and must independently determine disputed facts before

assessing whether the agency's action is supported by substantial evidence.

- *Raba Kistner, Inc. v. Connect 202 Partners, LLC*, 262 Ariz. 106, 588 P.3d 16 (App. 2026), holds that a contract clause allowing a contractor to audit a subcontractor's invoices for five years after project completion does not violate the Arizona Department of Transportation prompt pay act, because the act only voids clauses subjecting the contract to another state's law or requiring dispute resolution elsewhere.
- *Westbrook Rental LLC v. Goodman*, 260 Ariz. 455, 576 P.3d 704 (App. 2025), review granted in part (Mar. 26, 2026), explaining how to recover attorney fees against a party who records a lis pendens without properly joining the real party in interest, and for defeating a "good faith belief" defense to a groundless-recording claim.