

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

HOUSE BILL

**55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PUBLIC CONTRACTS; REQUIRING THAT PUBLIC CONTRACTS  
PROVIDE FOR INCREASED CONTRACTOR AND SUBCONTRACTOR  
REIMBURSEMENT AND WORKER WAGE INCREASES IN ACCORDANCE WITH AND  
CONCURRENT WITH STATE MINIMUM WAGE INCREASES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Minimum Wage Act is  
enacted to read:

"[NEW MATERIAL] PUBLIC CONTRACTS--SERVICES--MINIMUM WAGE  
INCREASES.--

A. Beginning July 1, 2021, a state agency that  
contracts for services shall include in the terms of that  
contract:

(1) a provision for increasing reimbursement  
so that the contractor and any subcontractor to that contract

underscoring material = new  
[bracketed material] = delete

underscoring material = new  
~~[bracketed material] = delete~~

1 are held harmless for any wage increase resulting from an  
2 increase in the state minimum wage; and

3 (2) a requirement that individuals employed  
4 pursuant to that contract or a subcontract of that contract who  
5 are paid the state minimum wage shall receive wage increases in  
6 accordance with and concurrent with increases in the state  
7 minimum wage.

8 B. As used in this section:

9 (1) "contract" means any agreement for the  
10 procurement of services;

11 (2) "services" means the furnishing of labor,  
12 time or effort by a contractor or subcontractor not involving  
13 the delivery of a specific end product other than reports and  
14 other materials that are merely incidental to the required  
15 performance; and

16 (3) "subcontract" means a contract subordinate  
17 to another superordinate contract, which subcontract is to  
18 procure in whole or in part services to be procured under the  
19 terms of the superordinate contract."