3

4

5

6

7

8

9

## AN ACT

RELATING TO PROCUREMENT; RAISING THE THRESHOLD FOR SMALL PURCHASES IN THE PROCUREMENT CODE; AMENDING A SECTION OF THE NMSA 1978.

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

Section 1. Section 13-1-104 NMSA 1978 (being Laws 1984, Chapter 65, Section 77, as amended) is amended to read:

"13-1-104. COMPETITIVE SEALED BIDS--PUBLIC NOTICE.--

A. An invitation for bids or a notice thereof 10 shall be published not less than ten calendar days prior to 11 the date set forth for the opening of bids. In the case of 12 purchases made by the state purchasing agent, the invitation 13 or notice shall be published at least once in at least three 14 15 newspapers of general circulation in this state; in addition, an invitation or notice may be published electronically on 16 the state purchasing agent's web site that is maintained for 17 that purpose. In the case of purchases made by other central 18 purchasing offices, the invitation or notice shall be 19 20 published at least once in a newspaper of general circulation in the area in which the central purchasing office is 21 located. These requirements of publication are in addition 22 to any other procedures that may be adopted by central 23 24 purchasing offices to notify prospective bidders that bids will be received, including publication in a trade journal, 25

SB 350 Page 1 if available. If there is no newspaper of general circulation in the area in which the central purchasing office is located, such other notice may be given as is commercially reasonable.

1

2

3

4

Central purchasing offices shall send copies of 5 Β. the notice or invitation for bids involving the expenditure 6 of more than twenty thousand dollars (\$20,000) to those 7 8 businesses that have signified in writing an interest in submitting bids for particular categories of items of 9 10 tangible personal property, construction and services and that have paid any required fees. A central purchasing 11 office may set different registration fees for different 12 categories of services, construction or items of tangible 13 personal property, but such fees shall be related to the 14 15 actual, direct cost of furnishing copies of the notice or 16 invitation for bids to the prospective bidders. The fees shall be used exclusively for the purpose of furnishing 17 copies of the notice or invitation for bids of proposed 18 19 procurements to prospective bidders.

C. A central purchasing office may satisfy the
requirement of sending copies of a notice or invitation for
bids by distributing the documents to prospective bidders
through electronic media. Central purchasing offices shall
not require that prospective bidders receive a notice or
invitation for bids through electronic media.

SB 350 Page 2

As used in this section, "prospective bidders" 1 D. includes persons considering submission of a bid as a general 2 3 contractor for the construction contract and persons who may submit bids to a general contractor for work to be 4 subcontracted pursuant to the construction contract. Central 5 purchasing offices shall make copies of invitations for bids 6 for construction contracts available to prospective bidders. 7 8 A central purchasing office may require prospective bidders who have requested documents for bid on a construction 9 10 contract to pay a deposit for a copy of the documents for The deposit shall equal the full cost of reproduction 11 bid. and delivery of the documents for bid. The deposit, less 12 delivery charges, shall be refunded if the documents for bid 13 are returned in usable condition within the time limits 14 15 specified in the documents for bid, which time limits shall 16 be no less than ten calendar days from the date of the bid opening. All forfeited deposits shall be credited to the 17 funds of the applicable central purchasing office." 18

Section 2. Section 13-1-125 NMSA 1978 (being Laws 1984, Chapter 65, Section 98, as amended) is amended to read:

"13-1-125. SMALL PURCHASES.--

19

20

21

A. A central purchasing office shall procure
services, construction or items of tangible personal property
having a value not exceeding twenty thousand dollars
(\$20,000) in accordance with the applicable small purchase SB 350

Page 3

regulations adopted by the secretary, a local public body or a central purchasing office that has the authority to issue regulations.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

16

17

19

Notwithstanding the requirements of Subsection Β. A of this section, a central purchasing office may procure professional services having a value not exceeding thirty thousand dollars (\$30,000), excluding applicable state and local gross receipts taxes, except for the services of architects, landscape architects, engineers or surveyors for state public works projects or local public works projects, in accordance with professional services procurement regulations promulgated by the department of finance and administration, the general services department or a central purchasing office with the authority to issue regulations.

15 C. Notwithstanding the requirements of Subsection A of this section, a state agency or a local public body may procure services, construction or items of tangible personal property having a value not exceeding five thousand dollars 18 (\$5,000) by issuing a direct purchase order to a contractor 20 based upon the best obtainable price.

D. Procurement requirements shall not be 21 22 artificially divided so as to constitute a small purchase under this section." 23

24 Section 3. EFFECTIVE DATE.--The effective date of the 25 provisions of this act is July 1, 2005. SB 350 Page 4