March 7, 2007

Madam President:

Your EDUCATION COMMITTEE, to whom has been referred

#### HOUSE BILL 303, as amended

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

- 1. Strike House Labor and Human Resources Committee Amendment 1.
- 2. Strike all house business and industry committee amendments.
- 3. On page 3, line 22, after the period, insert an ending quotation mark.
- 4. On page 3, line 23, through page 4, line 23, strike Subsection F in its entirety.
- 5. On page 6, line 6, after "price", insert "for which the construction manager at risk is financially responsible".
- 6. On page 7, line 18, after "procedure", insert "may be used when the total amount of money available for the project is less than five hundred thousand dollars (\$500,000) and".
  - 7. On page 8, line 8, strike "and".
- 8. On page 8, line 25, strike the period and insert in lieu thereof a semicolon.
- 9. On page 8, after line 25, insert the following new paragraphs:
- "(3) a verification of the maximum allowable construction cost; and

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- (4) a request for a proposal bond as required by Section 13-1-146 NMSA 1978.".
- 10. On page 9, line 3, strike "persons" and insert in lieu thereof "offerors".
- 11. On page 9, line 5, strike "persons" and insert in lieu thereof "offerors".
- 12. On page 9, line 6, after the period, insert the subsection designation "E." and reletter the succeeding subsections accordingly.
- 13. On page 9, line 7, strike "based upon the statements of qualification".
- 14. On page 9, line 8, after "qualify", insert "based upon the statements of qualification".
- 15. On page 9, line 9, strike "proposers" and insert in lieu thereof "offerors".
- 16. On page 9, line 19, strike "proposers" and insert in lieu thereof "offerors".
- 17. On page 9, line 22, strike "F" and insert in lieu thereof "G".
- 18. On page 9, line 23, strike "shall" and insert in lieu thereof "may".
- 19. On page 9, line 25, strike "persons" and insert in lieu thereof "offerors".
- 20. On page 10, line 1, strike "G" and insert in lieu thereof "H".
- 21. On page 10, line 2, strike "proposer" and insert in lieu thereof "offeror".

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22. On page 10, line 3, after the period, strike the remainder of the line and strike lines 4 through 9 in their entirety and insert in lieu thereof:

"Should the governing body or designee be unable to negotiate a satisfactory contract with the offeror considered to be the most qualified at a price determined to be fair and reasonable, negotiations with that offeror shall be formally terminated. governing body or designee shall then undertake negotiations with the second most qualified offeror. Failing accord with the second most qualified offeror, the governing body or designee shall formally terminate negotiations with the offeror. The governing body or designee shall then undertake negotiations with the third most qualified offeror. Should the governing body or designee be unable to negotiate a contract with any of the offerors selected by the committee, additional offerors shall be ranked in order of their qualifications and the governing body or designee shall continue negotiations in accordance with this section until a contract is signed with a qualified offeror or the procurement process is terminated and a new request for proposals is initiated.".

- 23. On page 10, line 14, strike "proposer's" and insert in lieu thereof "offeror's".
- 24. On page 10, line 17, strike "proposer's" and insert in lieu thereof "offeror's".
- 25. On page 10, line 22, strike "proposer's" and insert in lieu thereof "offeror's".
- 26. On page 11, line 7, strike "proposer's" and insert in lieu thereof "offeror's".
- 27. On page 11, line 8, strike "The" and insert in lieu thereof "After a contract is awarded, the".
- 28. On page 11, line 9, strike both occurrences of "proposers" and insert in lieu thereof "offerors".

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- 29. On page 11, line 12, strike "Proposers" and insert in lieu thereof "Offerors".
- 30. On page 12, between lines 24 and 25, insert the following new sections:
- "Section 8. A new section of Chapter 13, Article 4 NMSA 1978 is enacted to read:
- "[NEW MATERIAL] DEFINITIONS--CONSTRUCTION CONTRACT--CONTRACTOR.--As used in Chapter 13, Article 4 NMSA 1978:
- A. "contract" or "construction contract" includes a construction manager at risk contract entered into pursuant to the Educational Facility Construction Manager At Risk Act; and
- B. "contractor" includes a construction manager at risk selected pursuant to the Educational Facility Construction Manager At Risk Act."
- Section 9. Section 13-1-146 NMSA 1978 (being Laws 1984, Chapter 65, Section 119) is amended to read:
- "13-1-146. REQUIREMENT FOR BID SECURITY.--Bid security shall be required of bidders or offerors for construction contracts [procured by competitive sealed bid] when the price is estimated by the procurement officer to exceed twenty-five thousand dollars (\$25,000). Bid security in an amount equal to at least five percent of the amount of the bid shall be a bond provided by a surety company authorized to do business in this state, or the equivalent in cash, or otherwise supplied in a form satisfactory to the state agency or a local public body."".
  - 31. Renumber the succeeding section accordingly.,

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and thence referred to the JUDICIARY COMMITTEE.

Respectfully submitted,

Cynthia Nava, Chairman

Adopted\_\_\_\_\_\_ Not Adopted\_\_\_\_\_ (Chief Clerk) (Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 5 For 0 Against

Yes: 5 No: 0

Excused: Boitano, Garcia, Kernan, Sanchez, M.

Absent: None

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