

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 2/12/07

SPONSOR Silva LAST UPDATED HB 1014

SHORT TITLE PROFESSIONAL SERVICES MONETARY LIMITS SB

ANALYST Propst

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

General Services Department (GSD)

SUMMARY

Synopsis of Bill

HB 1014 would raise the small purchase limit for public works projects from \$25.0 to \$30.0.

FISCAL IMPLICATIONS

DFA reports that there would be some beneficial fiscal impact in raising the limit in that agencies (generally Property Control Division of the General Services Department) would not have to perform a request for proposals until a contract reaches the \$30.0 limit as opposed to the current \$25.0 limit. Presumably, this would mean fewer RFPs which are time and labor consuming for agencies.

SIGNIFICANT ISSUES

HB 1014 redefines “local public works project” and “state public works project” from a project that uses architectural or engineering services costing \$25.0 or more to a project costing \$30.0 or more. Surveying services requiring formal competition are raised from \$5.0 to \$30.0 and services of landscape architects are eliminated from these definitions.

House Bill 1014 – Page 2

HB 1014 would close a gap in the procurement code by setting a limit of \$30.0 for all small purchases for professional services contracts and end the exception that had been left in law for so-called public works projects. In the past, the small purchase limit for most professional services was \$20.0 and these public works projects were \$25.0. When the limit for most PSAs was raised from \$20.0 to \$30.0 these public works type contracts were left out, presumably as an oversight. This bill would correct that and make all PSAs the same in terms of small purchase limits.

CONFLICT

SB 555 which raises the limit to \$50.0

WEP/nt