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FISCAL IMPACT REPORT

ORIGINAL DATE 02/24/11

SPONSOR Rue LAST UPDATED _____ HB _____

SHORT TITLE Sunshine Portal Access to State Contracts SB 559

ANALYST Sánchez, A.

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	None		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		None				

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Appropriation in the General Appropriation Act
 Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Information Technology
 General Services Department

SUMMARY

Synopsis of Bill

Senate Bill 559 amends the Sunshine Transparency Act to include all state contracts regardless of price.

FISCAL IMPLICATIONS

According to DoIT, it will spend an estimated \$100 thousand to implement new functionality; however, there is no new functionality required. The requirement is for an extract of existing data that resides in existing accounting/human resource systems which would be automated and

not require human intervention unless an error occurred. DoIT spent \$343.2 thousand to design, implement, host, train, maintain and manage the New Mexico Sunshine Portal that is currently available to the public as a test version and for comments. The cost for hosting could be eliminated by hosting the portal on state-owned equipment in the upgraded and updated data center. Cost for project management and design should be less for adding contracts to the portal since the current portal already includes contracts greater than \$20 thousand and the Department of Finance and Administration - Contract Bureau, the General Services Department (GSD) – State Purchasing Division and Department of Transportation have collaborated on the creation of the contracts database currently residing on GSD’s website.

According to the General Services Department, adding contracts to the Sunshine Portal will potentially save labor costs from no longer having to support a separate website for contracts.

SIGNIFICANT ISSUES

DoIT states that it will likely be responsible for negotiating, managing and maintaining the contract to develop new requirements and make necessary modifications for the new functions. Moreover, there is no appropriation in the bill.

From DoIT’s response, it does not appear that it plans to leverage any of the work done on the portal on purchases or on the contracts database both of which can be used as starting points to reduce any associated costs.

According to GSD, the state does not have a central repository for all contracts and SHARE does not contain all contracts because not all agencies use SHARE, which may cause a problem with capturing and presenting “all contracts”.

PERFORMANCE IMPLICATIONS

According to DoIT, it has reallocated staff resources to perform functions of the sunshine portal. Since the portal contains data from September 2010 and the only current information comes from the State Land Office, it is difficult to ascertain what the reallocated staff is doing.

ADMINISTRATIVE IMPLICATIONS

DoIT states that it will need to establish business process criteria with State Purchasing stakeholders and a new process to develop data exchange and accountability.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Companion to House Bill 436 and Senate Bill 327 requiring local education providers be included in the portal.

Companion to House bills 521 and 574 which require the Middle Rio Grande Conservancy District to be added to the Sunshine Portal.

Relates to Senate Bill 49 which requires the Public Regulation Commission to create a process for posting information about its proposed rules and its cases on the Sunshine Portal.

Relates to House Bill 156 which creates the Budget and Corporate Transparency Act requiring corporations to publicly disclose corporate tax liability, economic development incentives, employees in New Mexico and certain tax return information.

Relates to Senate Bill 392 which creates the Local Government Transparency Portal.

Relates to House Bill 379 which requires DoIT to update the Sunshine Portal more often.

Relates to House Bill 386 which creates the Transparency in Private Attorney Contingency Contracts Act placing limitation on a state political subdivision's ability to enter into contingency fee contracts with private attorneys and requires the state attorney general or the executive of a political subdivision to post contracts to its website.

TECHNICAL ISSUES

DoIT suggests defining “contract” to remove any ambiguity or avoid varying interpretations.

GSD suggests sun setting the provisions of Section 13-1-97.1 that requires GSD to maintain a contracts database available to the public online.

The current search requirements for purchases in the Sunshine Portal and in the Procurement Code (Section 13-1-97.1 NMSA 1978) are essential the same for purchases or contracts greater than \$20 thousand. The bill would simply add all purchases regardless of purchase mechanism or price to the Sunshine Portal.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Data on contracts would not be available instead the data would be presented at the purchase order level.

Contracts for the previous fiscal year would be available on the GSD-State Purchasing website.

AS/svb