

HOUSE LABOR, VETERANS' AND MILITARY AFFAIRS
COMMITTEE SUBSTITUTE FOR
HOUSE BILL 403

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

AN ACT

RELATING TO PUBLIC PROCUREMENT; ENACTING A NEW SECTION OF THE
MINIMUM WAGE ACT TO REQUIRE 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, 2019, a state agency that
contracts for services shall include in the terms of that
contract:

(1) a provision for increasing reimbursement

.213592.3

underscored material = new
[bracketed material] = delete

1 so the contractor and any subcontractor to that contract are
2 held harmless for any wage increase resulting from an increase
3 in the state minimum wage; and

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

9 B. As used in this section:

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

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

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