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FISCAL IMPACT REPORT

ORIGINAL DATE 03/03/21

SPONSOR SCONC LAST UPDATED _____ HB _____

SHORT TITLE Youth Conservation Corps Employment SB 431/SCONCS

ANALYST Wan

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Bill 120

SOURCES OF INFORMATION

LFC Files

Responses Received From
Youth Conservation Corps (YCC)

No Response Received
General Services Department (GSD)

SUMMARY

Synopsis of Bill

The Senate Conservation Committee substitute for Senate Bill 431 amends Section 9-5B-6 NMSA 1978 to clarify the process the Youth Conservation Corps (YCC) Commission uses to employ young people in public projects. The bill specifies that the YCC Commission will issue requests for applications (RFAs) at least annually, apply a competitive evaluation process to select projects, and approve applications and enter into contractual or grant agreements with the sponsors of approved agreements. SB431/SCONCS adds language to this statute to establish that the YCC Commission's contractual or grant agreements, requests for applications, and application evaluation processes are not subject to the provisions of the Procurement Code.

There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

FISCAL IMPLICATIONS

SB431 will not have any direct fiscal impact, but YCC staff report that if the bill is not enacted, an additional employee may be requested in the future to assist with the commission's contracting process as it currently operates.

SIGNIFICANT ISSUES

The YCC Commission issued an annual RFA for public projects to employ youth until 2015, when Procurement Code implementation changes required the commission issue a request for proposals (RFP) through the State Purchasing Division of the General Services Department (GSD) instead. According to YCC, its statutory mandate does not align with the goals the state procurement process is designed to accomplish. For example, the YCC Commission does not specify the property, services, or construction to be procured; instead, the applicant provides these specifications as part of the conservation project being proposed. The commission's intent is to fund all projects that conform to an RFA, subject to available funding, whereas the procurement process through the State Purchasing Division is geared towards selecting the best proposal or two.

YCC states that being subject to the Procurement Code has resulted in applicants being disqualified due to insignificant errors on their applications, such as not checking a box on a form, and that "such errors could be easily prevented with third-party application software that is not permitted when issuing an RFP through [the] State Purchasing [Division]."

YCC expects additional benefits to result from the changes proposed by SB431, including: gaining the ability to reallocate unused funds from one project to another applicant within the same fiscal year, due to the reduced time needed to issue an RFP; posting more information about YCC programs online, thereby reducing confusion about how and when to apply and increasing accessibility to small entities, particularly those in rural New Mexico; and adopting grant management software to provide an easier application process, reduce errors that result in disqualifications, encourage more applications, and allow for more detailed tracking of expenditures and project outcomes.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB120 would amend the Procurement Code to exempt YCC's contracts and service agreements.

CW/al