

LFC Requester:	J. Simon
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date 1/24/2024

Bill No: HB 190

Sponsor: Joy Garratt and Patricia A. Lundstrom
Short Title: Public Private Partnership

Agency Name and Code NMFA (385)
Number: _____
Person Writing Marquita Russel
Phone: 505-992-9619 **Email** mrussel@nmfa.net

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

HB 190 amends the Procurement Code by adding new material that will allow public partners and private partners to enter into public private partnership (“P3”) agreements for public projects either through a competitive procurement process, or through an unsolicited procurement process. Unsolicited procurements require public notice if considered for approval and must follow public notice requirements depending on the size of the unsolicited procurement. The bill requires the State Board of Finance to promulgate rules to, among other things, establish when P3 agreements can be used, set minimum requirements, and receive, review and approve P3 agreements.

FISCAL IMPLICATIONS

There are no fiscal implications to NMFA from an operating perspective. It is possible that projects procured using a P3 agreement may apply to one of NMFA’s programs to finance the public project being procured. No additional costs are expected as a result of this procurement method.

PERFORMANCE IMPLICATIONS

The intent of the HB 190 is to provide for a variety of public project delivery methods to be used at the discretion of a public entity under the guidelines promulgated by the State Board of Finance.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Potential private partners are attracted to states that have clear P3 rules and laws in place. New Mexico lags other states in establishing P3 frameworks and is often overlooked by private sector investors able to implement public projects more efficiently while sharing risk. Not enacting this bill may cause potential private partners to bypass New Mexico with otherwise viable P3 projects.