

SENATE JUDICIARY COMMITTEE SUBSTITUTE FOR
SENATE BILL 61

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

AN ACT

RELATING TO PROCUREMENT; INCREASING THE TOTAL AMOUNT LIMIT ON
CONTRACTS FOR PROCUREMENT OF ARCHITECTURAL AND ENGINEERING
SERVICES AND CONSTRUCTION THAT STATE AGENCIES AND LOCAL PUBLIC
BODIES MAY ENTER INTO AND FOR PURCHASE ORDERS UNDER THOSE
CONTRACTS; PROVIDING FOR A TOTAL AMOUNT LIMIT ON CONTRACTS FOR
PUBLIC HIGHWAY CONSTRUCTION; PROVIDING FOR AN ANNUAL ADJUSTMENT
TO THE TOTAL AMOUNT LIMIT ON CONTRACTS FOR PROCUREMENT OF
ARCHITECTURAL AND ENGINEERING SERVICES, CONSTRUCTION AND
PURCHASE ORDERS UNDER THOSE CONTRACTS BASED ON A CHANGE TO THE
PRODUCER PRICE INDEX.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 13-1-154.1 NMSA 1978 (being Laws 2007,
Chapter 312, Section 1, as amended) is amended to read:

"13-1-154.1. MULTIPLE SOURCE CONTRACTS--ARCHITECTURAL AND
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1 ENGINEERING SERVICES CONTRACTS--INDEFINITE QUANTITY
2 CONSTRUCTION CONTRACTS.--

3 A. A state agency or local public body may procure
4 multiple architectural or engineering services contracts for
5 multiple projects under a single qualifications-based request
6 for proposals; provided that the total amount of multiple
7 contracts and all renewals for a single contractor does not
8 exceed [~~seven million five hundred thousand dollars~~
9 ~~(\$7,500,000)~~] fifteen million dollars (\$15,000,000), as
10 adjusted pursuant to Subsection H of this section, over four
11 years and that a single contract, including any renewals, does
12 not exceed [~~six hundred fifty thousand dollars (\$650,000)~~] two
13 million dollars (\$2,000,000), as adjusted pursuant to
14 Subsection H of this section.

15 B. Except as provided by Subsection C of this
16 section, a state agency or local public body may procure
17 multiple indefinite quantity construction contracts pursuant to
18 a price agreement for multiple projects under a single request
19 for proposals; provided that the total amount of a contract and
20 all renewals does not exceed [~~twelve million five hundred~~
21 ~~thousand dollars (\$12,500,000)~~] thirty million dollars
22 (\$30,000,000), as adjusted pursuant to Subsection I of this
23 section, over three years and the contract provides that any
24 one purchase order under the contract may not exceed [~~four~~
25 ~~million dollars (\$4,000,000)~~] ten million dollars

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1 (\$10,000,000), as adjusted pursuant to Subsection I of this
2 section.

3 C. A state agency or local public body may procure
4 multiple indefinite quantity construction contracts for public
5 highway construction, preservation and rehabilitation projects
6 pursuant to a price agreement for multiple projects under a
7 single request for proposals or invitations for bids; provided
8 that the total amount of a contract and all renewals does not
9 exceed two hundred fifty million dollars (\$250,000,000), as
10 adjusted pursuant to Subsection I of this section, over five
11 years and the contract provides that any one purchase order
12 under the contract may not exceed fifteen million dollars
13 (\$15,000,000), as adjusted pursuant to Subsection I of this
14 section.

15 [~~G.~~] D. A state agency or local public body may
16 make procurements in accordance with the provisions of
17 Subsection A, [~~or~~] B or C of this section if:

18 (1) the advertisement and request for
19 proposals states that multiple contracts may or will be
20 awarded, states the number of contracts that may or will be
21 awarded and describes the services or construction to be
22 performed under each contract;

23 (2) there is a single selection process for
24 all of the multiple contracts, except that for each contract
25 there may be a separate final list and a separate negotiation

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1 of contract terms; and

2 (3) each of the multiple contracts, including
3 all extensions and renewals, for:

4 (a) architectural or engineering
5 services has a term not exceeding four years [~~or for~~];

6 (b) construction pursuant to Subsection
7 B of this section has a term not exceeding three years [~~each~~
8 ~~including all extensions and renewals~~]; or

9 (c) construction pursuant to Subsection
10 C of this section has a term not exceeding five years.

11 [~~D.~~] E. A contract to be awarded pursuant to this
12 section to a firm that is currently performing under a contract
13 issued pursuant to this section shall not cause the total
14 amount of all contracts issued pursuant to this section to that
15 firm to exceed:

16 (1) [~~seven million five hundred thousand~~
17 ~~dollars (\$7,500,000)~~] fifteen million dollars (\$15,000,000), as
18 adjusted pursuant to Subsection H of this section, in any four-
19 year period for architectural or engineering services; [~~or~~]

20 (2) [~~twelve million five hundred thousand~~
21 ~~dollars (\$12,500,000)~~] thirty million dollars (\$30,000,000), as
22 adjusted pursuant to Subsection I of this section, in any
23 three-year period for construction pursuant to Subsection B of
24 this section; or

25 (3) two hundred fifty million dollars

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1 (\$250,000,000), as adjusted pursuant to Subsection I of this
 2 section, in any five-year period for construction pursuant to
 3 Subsection C of this section.

4 ~~[E-]~~ F. Procurement pursuant to this section is
 5 subject to the limitations of Sections 13-1-150 through
 6 13-1-154 NMSA 1978.

7 ~~[F-]~~ G. A state agency and a local public body, not
 8 including an agency of the legislative or judicial branch of
 9 state government, shall report to the legislative finance
 10 committee on an annual basis and to the purchasing division of
 11 the general services department on, at minimum, a quarterly
 12 basis the aggregate amount of contracts for each contractor and
 13 the corresponding amounts to be spent under each multiple
 14 source contract pursuant to this section. The general services
 15 department may promulgate rules regarding reporting to the
 16 department pursuant to this subsection.

17 H. On July 1, 2025 and July 1 of each successive
 18 year, each of the amounts for multiple contracts and all
 19 renewals, a single contract and any renewals, any one purchase
 20 order under a contract and the total amount of all contracts
 21 provided in Subsection A of this section and Paragraph (1) of
 22 Subsection E of this section shall be adjusted by multiplying
 23 each of the amounts in Subsection A of this section and
 24 Paragraph (1) of Subsection E of this section as of July 1,
 25 2024 by a fraction, the numerator of which is the average

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1 producer price index by industry for architectural, engineering
2 and related services of the previous calendar year and the
3 denominator of which is the average producer price index of
4 calendar year 2023.

5 I. On July 1, 2025 and July 1 of each successive
6 year, each of the amounts for multiple contracts and all
7 renewals, a single contract and any renewals, any one purchase
8 order under a contract and the total amount of all contracts
9 provided in Subsections B and C of this section and Paragraphs
10 (2) and (3) of Subsection E of this section shall be adjusted
11 by multiplying each of the amounts in Subsections B and C of
12 this section and Paragraphs (2) and (3) of Subsection E of this
13 section as of July 1, 2024 by a fraction, the numerator of
14 which is the average producer price index by commodity for
15 final demand construction of the previous calendar year and the
16 denominator of which is the average producer price index of
17 calendar year 2023.

18 J. As used in this section:

19 (1) "producer price index by commodity for
20 final demand construction" means the producer price index for
21 final demand construction, not seasonally adjusted, or its
22 successor index, as published by the United States department
23 of labor; and

24 (2) "producer price index by industry for
25 architectural, engineering and related services" means the

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1 producer price index by industry for architectural, engineering
2 and related services, not seasonally adjusted, or its successor
3 index, as published by the United States department of labor."

4 SECTION 2. EFFECTIVE DATE.--The effective date of the
5 provisions of this act is July 1, 2024.

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