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HOUSE BILL

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

DISCUSSION DRAFT

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO PUBLIC CONTRACTS; REQUIRING 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, 2021, a state agency that
contracts for services shall include in the terms of that
contract:

(1) a provision for increasing reimbursement
so that the contractor and any subcontractor to that contract

underscoring material = new
[bracketed material] = delete

underscoring material = new
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1 are held harmless for any wage increase resulting from an
2 increase in the state minimum wage; and

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

8 B. As used in this section:

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

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

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

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