## AN ACT

RELATING TO PROCUREMENT; REQUIRING THE PURCHASING DIVISION OF THE GENERAL SERVICES DEPARTMENT TO SET A PROCUREMENT REQUIREMENT FOR A MINIMUM PERCENTAGE OF THE TOTAL DOLLAR AMOUNT OF FOOD PURCHASED BY STATE AGENCIES AND LOCAL PUBLIC BODIES TO BE FOOD PRODUCED IN NEW MEXICO; REQUIRING A BIENNIAL PROGRESS REPORT.

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

SECTION 1. A new section of the Procurement Code is enacted to read:

"COMPETITIVE SEALED BIDS FOR FOOD PURCHASES--MINIMUM PERCENTAGE REQUIREMENT--SATISFACTION OF MINIMUM PERCENTAGE REQUIREMENT BY STATE AGENCIES AND LOCAL PUBLIC BODIES-- PROGRESS REPORT.--

A. For purposes of this section, "food" means any solid or liquid substance intended for human consumption by eating or drinking.

B. All competitive sealed bids for the procurement of food purchased by state agencies or local public bodies shall include a minimum percentage of the total dollar amount of food purchased in New Mexico from food producers or processors whose principal place of business is in New Mexico. The minimum percentage requirement shall be no less than:

1	(1) two percent by July 1, 2012;
2	(2) five percent by July 1, 2014; and
3	(3) ten percent by July 1, 2016.
4	C. All bidders making competitive sealed bids for
5	a contract to sell food to state agencies or local public
6	bodies shall, at the dates specified in Subsection B of this
7	section, satisfy the minimum percentage requirement for
8	competitive sealed bids for the procurement of food purchased
9	by state agencies or local public bodies.
10	D. The purchasing division of the general services
11	department shall set a procurement requirement for a minimum
12	percentage of the total dollar amount of food purchased by
13	state agencies or local public bodies to be food purchased in
14	New Mexico from food producers or processors whose principal
15	place of business is in New Mexico. The minimum percentage
16	requirement shall be set at no less than:
17	(1) two percent by July 1, 2012;
18	(2) five percent by July 1, 2014; and
19	(3) ten percent by July 1, 2016.
20	E. State agencies and local public bodies shall,
21	at the dates specified in Subsection D of this section,
22	satisfy the minimum percentage requirement for the
23	procurement of food produced or processed in New Mexico.
24	F. No later than December 1, 2011, and every

subsequent December 1 of an odd-numbered year, the New Mexico

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1	department of agriculture shall prepare a biennial report on
2	the progress toward and success of each public agency and
3	local public body in reaching the minimum percentage
4	requirement. The New Mexico department of agriculture shall
5	distribute each report to the legislative finance committee,
6	the appropriate interim legislative committees and the
7	cabinet secretaries and shall post the report on the sunshine
8	portal. Public agencies, local public bodies and the
9	purchasing division of the general services department shall
10	provide the New Mexico department of agriculture with all the
11	information relevant to the minimum percentage requirement
12	requested by the New Mexico department of agriculture."
13	SECTION 2. Section 13-1-98 NMSA 1978 (being Laws 1984,
14	Chapter 65, Section 71, as amended) is amended to read:

"13-1-98. EXEMPTIONS FROM THE PROCUREMENT CODE.--The provisions of the Procurement Code shall not apply to:

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A. procurement of items of tangible personal property or services by a state agency or a local public body from a state agency, a local public body or external procurement unit except as otherwise provided in Sections 13-1-135 through 13-1-137 NMSA 1978;

- except as provided by Section 1 of this 2011 В. act, procurement of tangible personal property or services for the governor's mansion and grounds;
  - C. printing and duplicating contracts involving

J. minor purchases not exceeding five thousand dollars (\$5,000) consisting of magazine subscriptions,

commission, which shall be reviewed by the purchasing

division of the general services department prior to

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adoption;

conference registration fees and other similar purchases where prepayments are required;

- K. except as provided by Section 1 of this 2011 act, municipalities having adopted home rule charters and having enacted their own purchasing ordinances;
- L. the issuance, sale and delivery of public securities pursuant to the applicable authorizing statute, with the exception of bond attorneys and general financial consultants;
- M. except as provided by Section 1 of this 2011 act, contracts entered into by a local public body with a private independent contractor for the operation, or provision and operation, of a jail pursuant to Sections 33-3-26 and 33-3-27 NMSA 1978;
- N. contracts for maintenance of grounds and facilities at highway rest stops and other employment opportunities, excluding those intended for the direct care and support of persons with handicaps, entered into by state agencies with private, nonprofit, independent contractors who provide services to persons with handicaps;
- O. contracts and expenditures for services or items of tangible personal property to be paid or compensated by money or other property transferred to New Mexico law enforcement agencies by the United States department of justice drug enforcement administration;

- P. contracts for retirement and other benefits pursuant to Sections 22-11-47 through 22-11-52 NMSA 1978;
  - Q. contracts with professional entertainers;
- R. contracts and expenditures for litigation expenses in connection with proceedings before administrative agencies or state or federal courts, including experts, mediators, court reporters, process servers and witness fees, but not including attorney contracts;
- S. contracts for service relating to the design, engineering, financing, construction and acquisition of public improvements undertaken in improvement districts pursuant to Subsection L of Section 3-33-14.1 NMSA 1978 and in county improvement districts pursuant to Subsection L of Section 4-55A-12.1 NMSA 1978;
- T. works of art for museums or for display in public buildings or places;
- U. except as provided by Section 1 of this 2011 act, contracts entered into by a local public body with a person, firm, organization, corporation or association or a state educational institution named in Article 12, Section 11 of the constitution of New Mexico for the operation and maintenance of a hospital pursuant to Chapter 3, Article 44 NMSA 1978, lease or operation of a county hospital pursuant to the Hospital Funding Act or operation and maintenance of a hospital pursuant to the Special Hospital District Act;

- Y. procurement by or through the public education department from the federal department of education relating to parent training and information centers designed to increase parent participation, projects and initiatives designed to improve outcomes for students with disabilities and other projects and initiatives relating to the administration of improvement strategy programs pursuant to the federal Individuals with Disabilities Education Act; provided that the exemption applies only to procurement of services not to exceed two hundred thousand dollars (\$200,000);
- Z. procurement of services from community rehabilitation programs or qualified individuals pursuant to the State Use Act;
- AA. purchases of products or services for eligible persons with disabilities pursuant to the federal Rehabilitation Act of 1973;
  - BB. except as provided by Section 1 of this 2011 SB 63
    Page 7

act, procurement, by either the department of health or Grant county or both, of tangible personal property, services or 2 3 construction that are exempt from the Procurement Code pursuant to Section 9-7-6.5 NMSA 1978;

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CC. contracts for investment advisory services, investment management services or other investment-related services entered into by the educational retirement board, the state investment officer or the retirement board created pursuant to the Public Employees Retirement Act;

DD. the purchase for resale by the state fair commission of feed and other items necessary for the upkeep of livestock; and

contracts entered into by the crime victims EE. reparation commission to distribute federal grants to assist victims of crime, including grants from the federal Victims of Crime Act and the federal Violence Against Women Act."

SECTION 3. Section 13-1-98.2 NMSA 1978 (being Laws 2003, Chapter 187, Section 1, as amended) is amended to read:

"13-1-98.2. ADDITIONAL EXEMPTIONS FROM THE PROCUREMENT CODE. -- Except as provided by Section 1 of this 2011 act, the provisions of the Procurement Code do not apply to contracts entered into by a local public body with a person, firm, organization, corporation, association or state educational institution named in Article 12, Section 11 of the constitution of New Mexico for:

1	A. the operation and maintenance of a hospital	
2	pursuant to Chapter 3, Article 44 NMSA 1978;	
3	B. the lease or operation of a county hospital	
4	pursuant to the Hospital Funding Act;	
5	C. the operation and maintenance of a hospital	
6	pursuant to the Special Hospital District Act; or	
7	D. the use of county buildings pursuant to Section	
8	4-38-13.1 NMSA 1978."	SB 63
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