

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

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.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 January 19, 2024

Bill No: Senate Bill 61a

Sponsor: David M. Gallegos and Pete Campos
Procurement Contract Limit Increase

Agency Name and Code Number: General Services Department (35000)

Person Writing Dorothy Mendonca

Short Title: _____

Phone: 505-819-7055 **Email** Dorothy.mendonca@gsd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
	Undetermined but possibly substantial		Agency operating budgets

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(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						

(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

Synopsis: Senate Bill 61 amends the Procurement Code to increase the limit for the use of statewide price agreements for architectural or engineering services contracts with a single contractor from \$7.5 million to \$15 million and the limit for a single contract from \$650 thousand to \$2 million. For construction contracts the bill increases the limit from \$12.5 million to \$30 million for a single contractor and from \$4 million to \$10 million for a single contract.

FISCAL IMPLICATIONS

There are no fiscal implications to GSD

SIGNIFICANT ISSUES

SPD does not currently have a mechanism to track spending on statewide price agreements being used at the local public body level. SPD can only track spending from Executive branch agencies.

PERFORMANCE IMPLICATIONS

None

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Unknown

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Entities would be required to procure services through an RFP or an ITB for architectural and engineering and for construction for projects exceeding the dollar threshold.

AMENDMENTS

Adjustments made with the producer price index shall **not exceed the limit** for the use of statewide price agreements for architectural or engineering services contracts with a single contractor from \$7.5 million to \$15 million and the limit for a single contract from \$650 thousand to \$2 million. For construction contracts the bill increases the limit from \$12.5 million to \$30 million for a single contractor and from \$4 million to \$10 million for a single contract.