

SENATE BILL 61

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

INTRODUCED BY

David M. Gallegos and Pete Campos

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

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 SHPAC→; PROVIDING FOR AN ANNUAL ADJUSTMENT TO THE LIMIT ON THE TOTAL AMOUNT ON CONTRACTS FOR PROCUREMENT OF ARCHITECTURAL AND ENGINEERING SERVICES, CONSTRUCTION AND PURCHASE ORDERS UNDER THOSE CONTRACTS BASED ON A CHANGE TO THE

.226489.1AIC January 25, 2024 (3:55pm)

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PRODUCER PRICE INDEX←SHPAC .

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 ENGINEERING SERVICES CONTRACTS--INDEFINITE QUANTITY CONSTRUCTION CONTRACTS.--

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

B. A state agency or local public body may procure multiple indefinite quantity construction contracts pursuant to a price agreement for multiple projects under a single request for proposals; provided that the total amount of a contract and all renewals does not exceed [~~twelve million five hundred thousand dollars (\$12,500,000)~~] thirty million dollars

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(\$30,000,000) SHPAC→, as adjusted pursuant to Subsection H of this section←SHPAC over three years and the contract provides that any one purchase order under the contract may not exceed [~~four million dollars (\$4,000,000)~~] ten million dollars (\$10,000,000) SHPAC→, as adjusted pursuant to Subsection H of this section←SHPAC .

C. A state agency or local public body may make procurements in accordance with the provisions of Subsection A or B of this section if:

- (1) the advertisement and request for proposals states that multiple contracts may or will be awarded, states the number of contracts that may or will be awarded and describes the services or construction to be performed under each contract;
- (2) there is a single selection process for all of the multiple contracts, except that for each contract there may be a separate final list and a separate negotiation of contract terms; and
- (3) each of the multiple contracts for architectural or engineering services has a term not exceeding four years, or for construction, has a term not exceeding three years, each including all extensions and renewals.

D. A contract to be awarded pursuant to this section to a firm that is currently performing under a contract issued pursuant to this section shall not cause the total

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amount of all contracts issued pursuant to this section to that firm to exceed:

(1) [~~seven million five hundred thousand dollars (\$7,500,000)~~] fifteen million dollars (\$15,000,000)

SHPAC→, as adjusted pursuant to Subsection G of this section←SHPAC in any four-year period for architectural or engineering services; or

(2) [~~twelve million five hundred thousand dollars (\$12,500,000)~~] thirty million dollars (\$30,000,000)

SHPAC→, as adjusted pursuant to Subsection H of this section←SHPAC in any three-year period for construction.

E. Procurement pursuant to this section is subject to the limitations of Sections 13-1-150 through 13-1-154 NMSA 1978.

F. A state agency and a local public body, not including an agency of the legislative or judicial branch of state government, shall report to the legislative finance committee on an annual basis and to the purchasing division of the general services department on, at minimum, a quarterly basis the aggregate amount of contracts for each contractor and the corresponding amounts to be spent under each multiple source contract pursuant to this section. The general services department may promulgate rules regarding reporting to the department pursuant to this subsection. SHPAC→^u←SHPAC

SHPAC→G. On July 1, 2025 and July 1 of each

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successive year, each of the amounts for multiple contracts and all renewals, a single contract and any renewals, any one purchase order under a contract and the total amount of all contracts provided in Subsection A and Paragraph (1) of Subsection D of this section shall be adjusted by multiplying each of the amounts in Subsection A and Paragraph (1) of Subsection D of this section as of July 1, 2024 by a fraction, the numerator of which is the average producer price index by industry for architectural, engineering and related services of the previous calendar year and the denominator of which is the average producer price index of calendar year 2023.

H. On July 1, 2025 and July 1 of each successive year, each of the amounts for multiple contracts and all renewals, a single contract and any renewals, any one purchase order under a contract and the total amount of all contracts provided in Subsection B and Paragraph (2) of Subsection D of this section shall be adjusted by multiplying each of the amounts in Subsection B and Paragraph (2) of Subsection D of this section as of July 1, 2024 by a fraction, the numerator of which is the average producer price index by commodity for final demand construction of the previous calendar year and the denominator of which is the average producer price index of calendar year 2023.

I. As used in this section:

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

(2) "producer price index by commodity for final demand construction" means the producer price index for final demand construction, not seasonally adjusted, or its successor index, as published by the United States department of labor." ←SHPAC

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

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