

SENATE BILL 206

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

Michael Padilla and Patricia A. Lundstrom and Joy Garratt

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; AMENDING DEFINITIONS TO INCREASE MINIMUM AMOUNTS FOR CERTAIN LOCAL PUBLIC WORKS PROJECTS AND CERTAIN STATE PUBLIC WORKS PROJECTS; ADDING THE DEFINITION OF "PUBLIC-PRIVATE PARTNERSHIP AGREEMENT" TO THE PROCUREMENT CODE; REQUIRING STATE AGENCIES AND LOCAL PUBLIC BODIES TO PROVIDE UP TO TWO NAMES FOR CHIEF PROCUREMENT OFFICERS; REQUIRING THAT A CHIEF PROCUREMENT OFFICER CERTIFICATION PROGRAM BE MAINTAINED BY THE STATE PURCHASING AGENT; ALLOWING APPROVED CONTINUING

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EDUCATION UNITS TO BE USED FOR RECERTIFICATION; DEFINING "CONTINUING EDUCATION UNITS"; INCREASING EXEMPTION MAXIMUM AMOUNTS FOR CERTAIN PURCHASES; ALLOWING THE EARLY CHILDHOOD EDUCATION AND CARE DEPARTMENT TO CONTRACT FOR CHILD CARE SERVICES; ADDING EXEMPTIONS FOR INFORMATION TECHNOLOGY ENTERPRISE SERVICES CAPITAL EQUIPMENT AND SOFTWARE CONTRACTS; EXEMPTING CONTRACTS FOR DIGITIZING STATE OR FEDERAL RECORDS AND FOR APPRAISALS AND SURVEYS FOR PURCHASING REAL PROPERTY; INCREASING SMALL PURCHASES AMOUNTS EXCLUDED FROM CENTRAL PURCHASING; EXCLUDING CERTAIN SOLE SOURCE CONTRACTS FROM CENTRAL PURCHASING FOR AGENCIES WITH A CERTIFIED PROCUREMENT OFFICER AND ALLOWING THOSE CONTRACTS TO BE FOR TERMS LONGER THAN ONE YEAR; CHANGING INVITATION FOR BIDS POSTING AND PUBLICATION REQUIREMENTS AND EXPENDITURE AMOUNTS; PROVIDING FOR MODIFICATION OR WITHDRAWAL NOTICES OF BIDS CONTAINING MISTAKES; REQUIRING THAT PROFESSIONAL SERVICES CONTRACTS BE REVIEWED BY THE STATE PURCHASING AGENT OR A GENERAL SERVICES DEPARTMENT DESIGNEE; IDENTIFYING THE RESPONSIBLE INDIVIDUALS FOR MANAGEMENT AND NEGOTIATIONS FOR CERTAIN QUALIFICATIONS-BASED CONTRACTS; INCREASING THE AMOUNT FOR CERTAIN PURCHASES BY A CENTRAL PURCHASING AGENT; ALLOWING STATE AGENCIES OR LOCAL PUBLIC BODIES TO ISSUE CERTAIN DIRECT PURCHASE ORDERS; CHANGING CERTAIN INTENT TO AWARD SOLE SOURCE CONTRACT REQUIREMENTS; STBTC → ~~REQUIRING COST OR PRICING DATA BY PROSPECTIVE CONTRACTORS FOR COMPETITIVE SEALED BIDS OR REQUESTS FOR PROPOSALS;~~ ← STBTC

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INCREASING MAXIMUM TERMS FOR PROFESSIONAL SERVICES CONTRACTS TO EIGHT YEARS.

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

SECTION 1. Section 13-1-66.1 NMSA 1978 (being Laws 1989, Chapter 69, Section 4, as amended) is amended to read:

"13-1-66.1. DEFINITION--LOCAL PUBLIC WORKS PROJECT.--
"Local public works project" means a project of a local public body that uses architectural ~~STBTC~~→or←STBTC ~~STBTC~~→services, including←STBTC engineering services requiring professional services costing ~~STBTC~~→[fifty thousand dollars (\$50,000)]←one hundred thousand dollars (\$100,000)←STBTC ~~STBTC~~→fifty thousand dollars (\$50,000)←STBTC or more or landscape architectural or surveying services requiring professional services costing ten thousand dollars (\$10,000) or more, excluding applicable state and local gross receipts taxes."

SECTION 2. A new section of the Procurement Code, Section 13-1-66.2 NMSA 1978, is enacted to read:

"13-1-66.2. [NEW MATERIAL] DEFINITION--PUBLIC-PRIVATE PARTNERSHIP AGREEMENT.--"Public-private partnership agreement" means an agreement between at least one public partner and one private partner in which the public partner accepts a private contribution to the research, development, design, construction, financing, implementation, operation or maintenance of any public asset or public benefit."

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SECTION 3. A new section of the Procurement Code is enacted to read:

"[NEW MATERIAL] DEFINITION--BEST OBTAINABLE PRICE.--"Best obtainable price" means the price at which services or goods can be purchased that is most advantageous to the purchasing entity. The "best obtainable price" can be found by obtaining quotes or by other appropriate methods."

SECTION 4. Section 13-1-91 NMSA 1978 (being Laws 1984, Chapter 65, Section 64, as amended by Laws 2007, Chapter 312, Section 4 and by Laws 2007, Chapter 315, Section 2) is amended to read:

"13-1-91. DEFINITION--STATE PUBLIC WORKS PROJECT.--"State public works project" means a project of a state agency, not including projects of the state educational institutions, the supreme court building commission, the legislature or local public bodies, that uses architectural or engineering services requiring professional services costing STBTC→~~fifty thousand dollars (\$50,000)~~ ~~one hundred thousand dollars (\$100,000)~~←STBTC STBTC→**fifty thousand dollars (\$50,000)**←STBTC or more, [øɾ] including landscape architectural or surveying services requiring professional services [~~costing ten thousand dollars (\$10,000) or more~~], excluding applicable state and local gross receipts taxes."

SECTION 5. Section 13-1-95.2 NMSA 1978 (being Laws 2013, Chapter 70, Section 3) is amended to read:

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"13-1-95.2. CHIEF PROCUREMENT OFFICERS--REPORTING
REQUIREMENT--TRAINING--CERTIFICATION.--

A. [~~On or before January 1 of each year beginning in 2014~~] Each year before expiration of certification, and every time a chief procurement officer is hired, each state agency and local public body shall provide to the state purchasing agent [~~the name of~~] no more than two names of certified chief procurement officers for the state agency's or local public body's chief procurement [~~officer~~] officers STBTC→.←STBTC STBTC→~~and information identifying the state agency's or local public body's central purchasing office, if applicable.~~←STBTC

B. The state purchasing agent shall maintain a list of the names of the chief procurement officers reported to the state purchasing agent by state agencies and local public bodies. The state purchasing agent shall make the list of chief procurement officers available to the public through the [~~web site~~] website of the purchasing division of the general services department and in any other appropriate form.

C. The state purchasing agent shall offer a certification training program for chief procurement officers each year.

D. [~~On or before January 1, 2015~~] The state purchasing agent shall [~~establish~~] maintain a certification program for chief procurement officers that includes initial

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certification and recertification every two years for all chief procurement officers. In order to be recertified, a chief procurement officer shall pass a recertification examination approved by the secretary of general services or obtain sixteen continuing education units approved by the secretary. As used in this subsection, one contact hour is equal to one continuing education unit and a "continuing education unit" means any approved public procurement course or participation in STBTC→~~the evaluation and scoring of a request for proposal that is for an entity other than the entity of the chief procurement officer requesting the recertification.~~←STBTC STBTC→a procurement approved by the purchasing division of the general services department.←STBTC

E. [~~On and after July 1, 2015~~] Only certified chief procurement officers may do the following, except that persons using procurement cards may continue to issue purchase orders and authorize small purchases:

- (1) make determinations, including determinations regarding exemptions, pursuant to the Procurement Code;
- (2) issue purchase orders and authorize small purchases pursuant to the Procurement Code; and
- (3) approve procurement pursuant to the Procurement Code."

SECTION 6. Section 13-1-98 NMSA 1978 (being Laws 1984,

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Chapter 65, Section 71, as amended by Laws 2023, Chapter 149, Section 2 and by Laws 2023, Chapter 174, Section 1) is amended to read:

"13-1-98. EXEMPTIONS FROM THE PROCUREMENT CODE.--The provisions of the Procurement Code ~~STBTC~~, **except for the provisions provided for in Sections 13-1-190 through 13-1-199 NMSA 1978,** ←STBTC shall not apply to:

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;

B. procurement of tangible personal property or services for the governor's mansion and grounds;

C. printing and duplicating contracts involving materials that are required to be filed in connection with proceedings before administrative agencies or state or federal courts;

D. purchases of publicly provided or publicly regulated gas, electricity, water, sewer and refuse collection services;

E. purchases of books, periodicals, instructional materials and training materials in printed, digital or electronic format from the publishers, designated public-education-department-approved instructional material

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depositories or copyright holders thereof and purchases of print, digital or electronic format library materials by public, school and state libraries for access by the public;

F. travel or shipping by common carrier or by private conveyance or to meals and lodging;

G. purchase of livestock at auction rings or to the procurement of animals to be used for research and experimentation or exhibit;

H. contracts with businesses for public school transportation services;

I. procurement of tangible personal property or services, as defined by Sections 13-1-87 and 13-1-93 NMSA 1978, by the corrections industries division of the corrections department pursuant to rules adopted by the corrections industries commission, which shall be reviewed by the purchasing division of the general services department prior to adoption;

J. purchases not exceeding [~~ten thousand dollars~~ one hundred thousand dollars (\$100,000)] consisting of magazine subscriptions, web-based or electronic subscriptions, conference registration fees and other similar purchases, but not including software licenses or maintenance agreements, where prepayments are required;

K. municipalities having adopted home rule charters and having enacted their own purchasing ordinances;

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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. 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 legal subscription and research services and litigation expenses in connection with proceedings before administrative agencies or

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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. 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;

V. purchases of advertising in all media, including radio, television, print and electronic STBTC →, ~~but does not include marketing purchases~~ ← STBTC ;

W. purchases of promotional goods intended for resale by the tourism department;

X. procurement of printing, publishing and

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distribution services for materials produced and intended for resale by the cultural affairs department;

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

CC. contracts for investment advisory services, investment management services or other investment-related services entered into by the educational retirement board, the

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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;

EE. contracts entered into by the crime victims reparation commission to distribute federal grants to assist victims of crime, including grants from the federal Victims of Crime Act of 1984 and the federal Violence Against Women Act of 1994;

FF. procurement by or through the early childhood education and care department of early pre-kindergarten and pre-kindergarten services purchased pursuant to the Pre-Kindergarten Act;

GG. procurement of services of commissioned advertising sales representatives for New Mexico magazine;

HH. contracts entered into by the forestry division of the energy, minerals and natural resources department to distribute federal grants to nongovernmental entities and individuals selected through an application process conducted by the United States department of agriculture, the United States department of the interior or any division or bureau thereof for programs for wildfire prevention or protection, urban forestry, forest and watershed restoration and protection, reforestation or economic development projects to

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advance the use of trees and wood biomass for hazardous fuel reduction; [~~and~~]

II. contracts entered into by the early childhood education and care department with licensed child care businesses;

JJ. contracts to acquire and replace capital licenses used to provide enterprise services pursuant to Section 9-27-11 NMSA 1978;

KK. contracts for the digitization of state or federal records;

LL. contracts for appraisals or surveys for the sale or purchase of real property;

MM. slots for child care assistance for eligible families procured by or through the early childhood education and care department; and

[~~II.~~] NN. procurements exempt from the Procurement Code as otherwise provided by law."

SECTION 7. Section 13-1-99 NMSA 1978 (being Laws 1984, Chapter 65, Section 72, as amended) is amended to read:

"13-1-99. EXCLUDED FROM CENTRAL PURCHASING THROUGH THE STATE PURCHASING AGENT.--Excluded from the requirement of procurement through the state purchasing agent but not from the requirements of the Procurement Code are the following:

- A. procurement of professional services;
- B. small purchases having a value not exceeding

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~~[one thousand five hundred dollars (\$1,500)]~~ ten thousand dollars (\$10,000);

- C. emergency procurement;
- D. procurement of highway construction or reconstruction by the department of transportation;
- E. procurement by the judicial branch of state government;
- F. procurement by the legislative branch of state government;
- G. procurement by the boards of regents of state educational institutions named in Article 12, Section 11 of the constitution of New Mexico;
- H. procurement by the state fair commission of tangible personal property, services and construction under twenty thousand dollars (\$20,000);
- I. purchases of instructional materials;
- J. procurement by all local public bodies;
- K. procurement by regional education cooperatives;
- L. procurement by charter schools;
- M. procurement by each state health care institution that provides direct patient care and that is, or a part of which is, medicaid certified and participating in the New Mexico medicaid program; and
- N. procurement by the public school facilities authority."

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SECTION 8. Section 13-1-104 NMSA 1978 (being Laws 1984, Chapter 65, Section 77, as amended) is amended to read:

"13-1-104. COMPETITIVE SEALED BIDS--PUBLIC NOTICE.--

A. An invitation for bids or a notice thereof shall be published not less than STBTC→**ten**←STBTC STBTC→**ten**←STBTC STBTC→**three**←STBTC calendar days prior to the date set forth for the opening of bids. In the case of purchases made by the state purchasing agent, the invitation or notice shall be published at least once in at least ~~three~~ two newspapers of general circulation in this state [~~in addition, an invitation or notice may be published electronically~~] or by posting the invitation or notice on the state purchasing agent's [web site that is maintained for that purpose] website. In the case of purchases made by other central purchasing offices, the invitation or notice shall be published at least once in a newspaper of general circulation in the area in which the central purchasing office is located. These requirements of publication are in addition to any other procedures that may be adopted by central purchasing offices to notify prospective bidders that bids will be received, including publication in a trade journal, if available. If there is no newspaper of general circulation in the area in which the central purchasing office is located, such other notice may be given as is commercially reasonable.

B. Central purchasing offices shall send copies of

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the notice or invitation for bids involving the expenditure of more than [~~twenty thousand dollars (\$20,000)~~] one hundred thousand dollars (\$100,000) to those businesses that have signified in writing an interest in submitting bids for particular categories of items of tangible personal property, construction and services and that have paid any required fees. A central purchasing office may set different registration fees for different categories of services, construction or items of tangible personal property, but such fees shall be related to the actual, direct cost of furnishing copies of the notice or invitation for bids to the prospective bidders. The fees shall be used exclusively for the purpose of furnishing copies of the notice or invitation for bids of proposed procurements to prospective bidders.

C. A central purchasing office may satisfy the requirement of sending copies of a notice or invitation for bids by distributing the documents to prospective bidders through electronic media. Central purchasing offices shall not require that prospective bidders receive a notice or invitation for bids through electronic media.

D. As used in this section, "prospective bidders" includes persons considering submission of a bid as a general contractor for the construction contract and persons who may submit bids to a general contractor for work to be subcontracted pursuant to the construction contract. Central

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purchasing offices shall make copies of invitations for bids for construction contracts available to prospective bidders. A central purchasing office may require prospective bidders who have requested documents for bid on a construction contract to pay a deposit for a copy of the documents for bid. The deposit shall equal the full cost of reproduction and delivery of the documents for bid. The deposit, less delivery charges, shall be refunded if the documents for bid are returned in usable condition within the time limits specified in the documents for bid, which time limits shall be no less than ten calendar days from the date of the bid opening. All forfeited deposits shall be credited to the funds of the applicable central purchasing office."

SECTION 9. Section 13-1-106 NMSA 1978 (being Laws 1984, Chapter 65, Section 79) is amended to read:

"13-1-106. COMPETITIVE SEALED BIDS--CORRECTION OR WITHDRAWAL OF BIDS.--

A. A bid containing a mistake discovered before bid opening may be modified or withdrawn by a bidder prior to the time set for bid opening by delivering written or [~~telegraphic~~] electronic notice to the procurement manager or the individual identified for notices in the request for proposals, rather than the location designated in the invitation for bids as the place where bids are to be received. After bid opening, no modifications in bid prices or other provisions of bids shall

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be permitted. A low bidder alleging a material mistake of fact [which] that makes [his] the low bid nonresponsive may be permitted to withdraw [its] the low bid if:

(1) the mistake is clearly evident on the face of the bid document; or

(2) the low bidder submits evidence [which] that clearly and convincingly demonstrates that a mistake was made.

B. Any decision by a procurement officer to permit or deny the withdrawal of a bid on the basis of a mistake contained [therein] in the bid shall be supported by a determination setting forth the grounds for the decision."

SECTION 10. Section 13-1-118 NMSA 1978 (being Laws 1984, Chapter 65, Section 91, as amended) is amended to read:

"13-1-118. COMPETITIVE SEALED PROPOSALS--PROFESSIONAL SERVICES CONTRACTS--CONTRACT REVIEW.--All contracts for professional services with state agencies shall be reviewed as to form, legal sufficiency and budget requirements by the state purchasing agent or a designee of the general services department if required by the [regulations] rules of the department. This section does not apply to contracts entered into by the legislative branch of state government, the judicial branch of state government or the boards of regents of state educational institutions named in Article 12, Section 11 of the constitution of New Mexico."

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SECTION 11. Section 13-1-122 NMSA 1978 (being Laws 1984, Chapter 65, Section 95, as amended) is amended to read:

"13-1-122. COMPETITIVE SEALED QUALIFICATIONS-BASED PROPOSALS--RESPONSIBLE INDIVIDUAL--AWARD OF ARCHITECT, ENGINEERING, LANDSCAPE ARCHITECT AND SURVEYING CONTRACTS.--

A. As used in this section, "responsible individual" means:

(1) the director of the facilities management division of the general services department or a designee of that division;

(2) the secretary or ~~[his]~~ the secretary's designee ~~[or]~~;

(3) the secretary of ~~[the highway and]~~ transportation ~~[department]~~ or ~~[his]~~ that secretary's designee;

(4) the secretary of cultural affairs or that secretary's designee; or

(5) a designee of a local public body.

B. The responsible individual shall negotiate a contract with the highest qualified business for the architectural, landscape architectural, engineering or surveying services at compensation determined in writing to be fair and reasonable. In making this decision, the ~~[secretary or his designee or the designee of a local public body]~~ responsible individual shall take into account the estimated value of the services to be rendered and the scope, complexity

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and professional nature of the services. Should the [~~secretary or his designee or the designee of a local public body~~] responsible individual be unable to negotiate a satisfactory contract with the business considered to be the most qualified at a price determined to be fair and reasonable, negotiations with that business shall be formally terminated. The [~~secretary or his designee or the designee of a local public body~~] responsible individual shall then undertake negotiations with the second most qualified business. Failing accord with the second most qualified business, the [~~secretary or his designee or a designee of a local public body~~] responsible individual shall formally terminate negotiations with that business. The [~~secretary or his designee or the designee of the local public body~~] responsible individual shall then undertake negotiations with the third most qualified business. Should the [~~secretary or his designee or a designee of a local public body~~] responsible individual be unable to negotiate a contract with any of the businesses selected by the committee, additional businesses shall be ranked in order of their qualifications and the [~~secretary or his designee or the designee of a local public body~~] responsible individual shall continue negotiations in accordance with this section until a contract is signed with a qualified business or the procurement process is terminated and a new request for proposals is initiated. [~~The secretary or the representative of a local~~

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~~public body~~] If a contract is awarded, the responsible individual shall publicly announce the business selected for award."

SECTION 12. Section 13-1-125 NMSA 1978 (being Laws 1984, Chapter 65, Section 98, as amended) is amended to read:

"13-1-125. SMALL PURCHASES.--

A. A central purchasing office shall procure services, construction or items of tangible personal property having a value not exceeding [~~sixty thousand dollars (\$60,000)~~] one hundred thousand dollars (\$100,000), excluding applicable state and local gross receipts taxes, in accordance with the applicable small purchase rules adopted by the secretary, a local public body or a central purchasing office that has the authority to issue rules.

B. Notwithstanding the requirements of Subsection A of this section, a central purchasing office may procure professional services having a value not exceeding [~~sixty thousand dollars (\$60,000)~~] one hundred thousand dollars (\$100,000), excluding applicable state and local gross receipts taxes, except for the services of landscape architects or surveyors for state public works projects or local public works projects, in accordance with professional services procurement rules promulgated by the general services department or a central purchasing office with the authority to issue rules.

C. Notwithstanding the requirements of Subsection A

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of this section, a state agency or a local public body may procure services, construction or items of tangible personal property having a value not exceeding [~~twenty thousand dollars (\$20,000)~~] sixty thousand dollars (\$60,000), excluding applicable state and local gross receipts taxes, by issuing a direct purchase order to a contractor based upon the best obtainable price.

D. Procurement requirements shall not be artificially divided so as to constitute a small purchase under this section."

SECTION 13. Section 13-1-126.1 NMSA 1978 (being Laws 2013, Chapter 40, Section 6, as amended) is amended to read:

"13-1-126.1. SOLE SOURCE CONTRACTS--NOTICE--PROTEST.--

A. At least [~~thirty~~] fifteen days before it awards a sole source contract, the state purchasing agent shall post notice of its intent to award the contract on its website. At least thirty days before it awards a sole source contract, a central purchasing office shall post notice of its intent to award the contract on its website, if it maintains one, and shall transmit the notice to the state purchasing agent for posting on the state purchasing agent's website. In each case, the notice shall identify, at a minimum:

- (1) the parties to the proposed contract;
- (2) the nature and quantity of the service, construction or item of tangible personal property being

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contracted for; and

(3) the contract amount.

B. Any qualified potential contractor that was not selected for a proposed sole source contract may protest the selection in writing, within fifteen calendar days after the notice of intent to award the contract was posted by the state purchasing agent or central purchasing office, by submitting the protest to the state purchasing agent or central purchasing office, as appropriate. The state purchasing agent or central purchasing office shall then reconsider its selection."

SECTION 14. Section 13-1-138 NMSA 1978 (being Laws 1984, Chapter 65, Section 111) is amended to read:

"13-1-138. COST OR PRICING DATA REQUIRED.--When required by the state purchasing agent or a central purchasing office, a prospective contractor shall submit cost or pricing data when the contract is expected to exceed STBTC→~~twenty-five thousand dollars (\$25,000)~~ ~~sixty thousand dollars (\$60,000)~~ and is to be awarded by ~~[a method other than] competitive sealed [bids]~~ ~~bid or request for proposals~~←STBTC STBTC→~~twenty-five thousand dollars (\$25,000)~~←STBTC ."

SECTION 15. Section 13-1-150 NMSA 1978 (being Laws 1984, Chapter 65, Section 123, as amended) is amended to read:

"13-1-150. MULTI-TERM CONTRACTS--SPECIFIED PERIOD.--

A. A multi-term contract for items of tangible personal property, construction or services except for

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professional services, in an amount under twenty-five thousand dollars (\$25,000), may be entered into for any period of time deemed to be in the best interests of the state agency or a local public body not to exceed four years; provided that the term of the contract and conditions of renewal or extension, if any, are included in the specifications and funds are available for the first fiscal period at the time of contracting. If the amount of the contract is twenty-five thousand dollars (\$25,000) or more, the term shall not exceed ten years, including all extensions and renewals, except that for a contract entered into pursuant to the Public Facility Energy Efficiency and Water Conservation Act, the term shall not exceed twenty-five years, including all extensions and renewals STBTC→, **except for public-private partnership agreements**←STBTC . Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefor.

B. A contract for professional services may not exceed [~~four~~] eight years, including all extensions and renewals, except for the following:

(1) services required to support or operate federally certified medicaid, financial assistance and child support enforcement management information or payment systems;

(2) services to design, develop or implement the taxation and revenue information management systems project

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authorized by Laws 1997, Chapter 125;

(3) a multi-term contract for the services of trustees, escrow agents, registrars, paying agents, letter of credit issuers and other forms of credit enhancement and other similar services, excluding bond attorneys, underwriters and financial advisors with regard to the issuance, sale and delivery of public securities, may be for the life of the securities or as long as the securities remain outstanding;

(4) services relating to the implementation, operation and administration of the Education Trust Act;

(5) services relating to measurement and verification of conservation-related cost savings and utility cost savings pursuant to the Public Facility Energy Efficiency and Water Conservation Act;

(6) services relating to the design and engineering of a state public works project:

(a) for a period not to exceed the requisite time for project completion and a subsequent warranty period; and

(b) upon approval of the secretary of finance and administration; ~~and~~

(7) services relating to the design and engineering of a regional water project with an estimated cost of more than five hundred million dollars (\$500,000,000):

(a) for a period not to exceed the

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requisite time for project completion and a subsequent warranty period; and

(b) upon approval of the secretary of finance and administration; and

(8) a public-private partnership agreement.

C. A sole source contract shall not exceed four years, including all extensions and renewals."

SECTION 16. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2025.

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