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AN ACT

RELATING TO PUBLIC PROPERTY; CHANGING THE THRESHOLD FOR STATE BOARD OF FINANCE APPROVAL ON SALES, TRADES OR LEASES OF PROPERTY BY STATE AGENCIES AND LOCAL PUBLIC BODIES.

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

SECTION 1. Section 13-6-1 NMSA 1978 (being Laws 1961, Chapter 100, Section 1, as amended) is amended to read:

"13-6-1. DISPOSITION OF OBSOLETE, WORN-OUT OR UNUSABLE TANGIBLE PERSONAL PROPERTY.--

A. The governing authority of each state agency, local public body and school district may dispose of any item of tangible personal property belonging to that authority and delete the item from its public inventory upon a specific finding by the authority that the item of property is:

(1) of a current resale value of thirty thousand dollars (\$30,000) or less; and

(2) worn out, unusable or obsolete to the extent that the item is no longer economical or safe for continued use by the body.

B. The governing authority shall, as a prerequisite to the disposition of any items of tangible personal property:

(1) designate a committee of at least three officials of the governing authority to approve and oversee

1 the disposition; and

2 (2) give notification at least thirty days
3 prior to its action making the deletion by sending a copy of
4 its official finding and the proposed disposition of the
5 property to the state auditor and the appropriate approval
6 authority designated in Section 13-6-2 NMSA 1978, duly sworn
7 and subscribed under oath by each member of the authority
8 approving the action.

9 C. A copy of the official finding and proposed
10 disposition of the property sought to be disposed of shall be
11 made a permanent part of the official minutes of the
12 governing authority and maintained as a public record subject
13 to the Inspection of Public Records Act.

14 D. The governing authority shall dispose of the
15 tangible personal property by negotiated sale to any
16 governmental unit of an Indian nation, tribe or pueblo in
17 New Mexico or by negotiated sale or donation to other state
18 agencies, local public bodies, school districts or
19 municipalities or through the central purchasing office of
20 the governing authority by means of competitive sealed bid or
21 public auction or, if a state agency, through the surplus
22 property bureau of the transportation services division of
23 the general services department.

24 E. A state agency shall give the surplus property
25 bureau of the transportation services division of the general

1 services department the right of first refusal when disposing
2 of obsolete, worn-out or unusable tangible personal property
3 of the state agency.

4 F. If the governing authority is unable to dispose
5 of the tangible personal property pursuant to Subsection D
6 or E of this section, the governing authority may sell or,
7 if the property has no value, donate the property to
8 any organization described in Section 501(c)(3) of the
9 Internal Revenue Code of 1986.

10 G. If the governing authority is unable to dispose
11 of the tangible personal property pursuant to Subsection D,
12 E or F of this section, it may order that the property be
13 destroyed or otherwise permanently disposed of in accordance
14 with applicable laws.

15 H. If the governing authority determines that the
16 tangible personal property is hazardous or contains hazardous
17 materials and may not be used safely under any circumstances,
18 the property shall be destroyed and disposed of pursuant to
19 Subsection G of this section.

20 I. No tangible personal property shall be donated
21 to an employee or relative of an employee of a state agency,
22 local public body or school district; provided that nothing
23 in this subsection precludes an employee from participating
24 and bidding for public property at a public auction.

25 J. This section shall not apply to any property

1 acquired by a museum through abandonment procedures pursuant
2 to the Abandoned Cultural Properties Act.

3 K. Notwithstanding the provisions of Subsection A
4 of this section, the department of transportation may sell
5 through public auction or dispose of surplus tangible
6 personal property used to manage, maintain or build roads
7 that exceeds thirty thousand dollars (\$30,000) in value.
8 Proceeds from sales shall be credited to the state road fund.
9 The department of transportation shall notify the department
10 of finance and administration regarding the disposition of
11 all property.

12 L. If the secretary of public safety finds that
13 a K-9 dog presents no threat to public safety, the K-9 dog
14 shall be released from public ownership as provided in this
15 subsection. The K-9 dog shall first be offered to its
16 trainer or handler free of charge. If the trainer or handler
17 does not want to accept ownership of the K-9 dog, then the
18 K-9 dog shall be offered to an organization described in
19 Section 501(c)(3) of the Internal Revenue Code of 1986 free
20 of charge. If both of the above fail, the K-9 dog shall only
21 be sold to a qualified individual found capable of providing
22 a good home to the animal."

23 SECTION 2. Section 13-6-2 NMSA 1978 (being Laws 1979,
24 Chapter 195, Section 3, as amended) is amended to read:

25 "13-6-2. SALE OF PROPERTY BY STATE AGENCIES OR LOCAL

1 PUBLIC BODIES--AUTHORITY TO SELL OR DISPOSE OF PROPERTY--
2 APPROVAL OF APPROPRIATE APPROVAL AUTHORITY.--

3 A. Providing a written determination has been
4 made, a state agency, local public body or school district
5 may sell or otherwise dispose of real or tangible personal
6 property belonging to the state agency, local public body or
7 school district.

8 B. A state agency, local public body or school
9 district may sell or otherwise dispose of real property:

10 (1) by negotiated sale or donation to an
11 Indian nation, tribe or pueblo located wholly or partially in
12 New Mexico, or to a governmental unit of an Indian nation,
13 tribe or pueblo in New Mexico, that is authorized to purchase
14 land and control activities on its land by an act of congress
15 or to purchase land on behalf of the Indian nation, tribe or
16 pueblo;

17 (2) by negotiated sale or donation to other
18 state agencies, local public bodies or school districts;

19 (3) through the central purchasing office of
20 the state agency, local public body or school district by
21 means of competitive sealed bid, public auction or negotiated
22 sale to a private person or to an Indian nation, tribe or
23 pueblo in New Mexico; or

24 (4) if a state agency, through the surplus
25 property bureau of the transportation services division of

1 the general services department.

2 C. A state agency shall give the surplus property
3 bureau of the transportation services division of the general
4 services department the right of first refusal to dispose of
5 tangible personal property of the state agency. A school
6 district may give the surplus property bureau the right of
7 first refusal to dispose of tangible personal property of the
8 school district.

9 D. Except as provided in Section 13-6-2.1
10 NMSA 1978 requiring state board of finance approval for
11 certain transactions, sale or disposition of real or tangible
12 personal property having a current resale value of more
13 than thirty thousand dollars (\$30,000) may be made by a state
14 agency, local public body or school district if the sale
15 or disposition has been approved by the state budget division
16 of the department of finance and administration for state
17 agencies, the local government division of the department of
18 finance and administration for local public bodies other than
19 community colleges, the public education department for
20 school districts and the higher education department for
21 community colleges.

22 E. Prior approval of the appropriate approval
23 authority is not required if the value of the real or
24 tangible personal property is less than thirty thousand
25 dollars (\$30,000) or the tangible personal property is to be

1 used as a trade-in or exchange pursuant to the provisions of
2 the Procurement Code.

3 F. The appropriate approval authority may
4 condition the approval of the sale or other disposition of
5 real or tangible personal property upon the property being
6 offered for sale or donation to a state agency, local public
7 body or school district.

8 G. The appropriate approval authority may credit
9 a payment received from the sale of such real or tangible
10 personal property to the governmental body making the sale.
11 The state agency, local public body or school district may
12 convey all or any interest in the real or tangible personal
13 property without warranty.

14 H. This section does not apply to:

- 15 (1) computer software of a state agency;
16 (2) those institutions specifically
17 enumerated in Article 12, Section 11 of the constitution of
18 New Mexico;
19 (3) the New Mexico state police division of
20 the department of public safety;
21 (4) the state land office or the department
22 of transportation;
23 (5) property acquired by a museum through
24 abandonment procedures pursuant to the Abandoned Cultural
25 Properties Act;

1 (6) leases of county hospitals with any
2 person pursuant to the Hospital Funding Act;

3 (7) property acquired by the economic
4 development department pursuant to the Statewide Economic
5 Development Finance Act; and

6 (8) the state parks division of the energy,
7 minerals and natural resources department."

8 SECTION 3. Section 13-6-2.1 NMSA 1978 (being Laws 1989,
9 Chapter 380, Section 1, as amended) is amended to read:

10 "13-6-2.1. SALES, TRADES OR LEASES--STATE BOARD OF
11 FINANCE APPROVAL.--

12 A. Except for sales, trades or leases approved
13 pursuant to Section 13-6-3 NMSA 1978, any sale, trade or
14 lease of real property belonging to a state agency, local
15 public body or school district for more than five years or
16 for a consideration of more than one hundred fifty thousand
17 dollars (\$150,000) shall be approved by the state board of
18 finance prior to its effective date.

19 B. The provisions of this section shall not be
20 applicable to:

21 (1) those institutions specifically
22 enumerated in Article 12, Section 11 of the constitution of
23 New Mexico;

24 (2) the state land office;

25 (3) the state transportation commission;

1 (4) the economic development department when
2 disposing of property acquired pursuant to the Statewide
3 Economic Development Finance Act; or

4 (5) a school district when leasing
5 facilities to a locally chartered or state-chartered charter
6 school."

7 SECTION 4. Section 13-6-3 NMSA 1978 (being Laws 1961,
8 Chapter 41, Section 1, as amended by Laws 2003, Chapter 142,
9 Section 4 and by Laws 2003, Chapter 349, Section 23) is
10 amended to read:

11 "13-6-3. SALE, TRADE OR LEASE OF REAL PROPERTY BY STATE
12 AGENCIES--APPROVAL OF LEGISLATURE--EXCEPTIONS.--

13 A. Any sale, trade or lease for a period exceeding
14 twenty-five years in duration of real property belonging
15 to any state agency, which sale, trade or lease shall be for
16 a consideration of five hundred fifty thousand dollars
17 (\$550,000) or more, shall be subject to the ratification and
18 approval of the state legislature prior to the sale, trade or
19 lease becoming effective.

20 B. The provisions of this section shall not be
21 applicable as to those institutions specifically enumerated
22 in Article 12, Section 11 of the constitution of New Mexico,
23 the state land office, the state transportation commission or
24 the economic development department when disposing of
25 property acquired pursuant to the Statewide Economic

1 Development Finance Act."

2 SECTION 5. Section 13-6-4 NMSA 1978 (being Laws 1979,
3 Chapter 195, Section 5, as amended) is amended to read:

4 "13-6-4. DEFINITIONS.--As used in Chapter 13, Article 6
5 NMSA 1978:

6 A. "local public body" means all political
7 subdivisions of the state, including their agencies,
8 instrumentalities and institutions, and includes community
9 colleges but excludes municipalities and school districts;

10 B. "state agency" means the state or any of its
11 branches, agencies, departments, boards, instrumentalities or
12 institutions other than state educational institutions;

13 C. "state educational institutions" means those
14 institutions designated by Article 12, Section 11 of the
15 constitution of New Mexico; and

16 D. "school districts" means those political
17 subdivisions of the state established for the administration
18 of public schools, segregated geographically for taxation and
19 bonding purposes and governed by the Public School Code."

20 SECTION 6. EFFECTIVE DATE.--The effective date of the
21 provisions of this act is July 1, 2025. _____

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