

CHAPTER 62

CHAPTER 62, LAWS 2002

AN ACT

RELATING TO THE PROCUREMENT CODE; CLARIFYING REMEDIES BEFORE EXECUTION OF CONTRACT AND RATIFICATION OR TERMINATION AFTER EXECUTION OF CONTRACT; AMENDING SECTIONS OF THE NMSA 1978.

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

Section 1. Section 13-1-181 NMSA 1978 (being Laws 1984, Chapter 65, Section 154) is amended to read:

"13-1-181. REMEDIES PRIOR TO EXECUTION OF CONTRACT.-- If prior to the execution of a valid, written contract by all parties and necessary approval authorities, the state purchasing agent or a central purchasing office makes a determination that a solicitation or proposed award of the proposed contract is in violation of law, then the solicitation or proposed award shall be canceled."

Section 2. Section 13-1-182 NMSA 1978 (being Laws 1984, Chapter 65, Section 155) is amended to read:

"13-1-182. RATIFICATION OR TERMINATION AFTER EXECUTION OF CONTRACT.--If after the execution of a valid, written contract by all parties and necessary approval authorities, the state purchasing agent or a central purchasing office makes a determination that a solicitation or award of the contract was in violation of law and if the business awarded the contract did not act fraudulently or in bad faith:

A. the contract may be ratified, affirmed and revised to comply with law, provided that a determination is made that doing so is in the best interests of a state agency or a local public body; or

B. the contract may be terminated, and the contractor shall be compensated for the actual expenses reasonably incurred under the contract plus a reasonable profit prior to termination."