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FISCAL IMPACT REPORT

SPONSOR HLLC ORIGINAL DATE 2/28/19
 LAST UPDATED _____ HB 369/HLLCS

SHORT TITLE State Agency Only for Multi Source Contracts SB _____

ANALYST Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Attorney General (NMAG)
 Central New Mexico Community College (CNM)
 Public Schools Facilities Authority (PSFA)

No Response Received From

General Services Department (GSD)

SUMMARY

Synopsis of Bill

The House Local Government, Land Grants and Cultural Affairs Committee substitute for House Bill 369 amends the state Procurement Code, 13-1-154.1 NMSA 1978, pertaining to multiple source contracts for architectural and engineering services and indefinite quantity construction contracts by providing that any one purchase order resulting from an indefinite quantity construction price agreement contract may not exceed \$3 million.

FISCAL IMPLICATIONS

None of the responding agencies reported a fiscal impact from enactment of HB369. However, the General Services Department, which enforces the Procurement Code, did not respond to a request for analysis on this legislation.

SIGNIFICANT ISSUES

PSFA reports that, “Although, increasing the cap on any one purchase order to \$3 million may be beneficial for an entity requiring a project with a value of over \$1 million, the overall benefit is limited without increasing the total amount of the construction contract, including renewals, of \$10 million dollars.”

CJ/al