

LFC Requester:

Austin Davidson

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: February 18, 2025

Check all that apply:

Bill Number: SB 408

Original Correction
Amendment Substitute

Sponsor: Senator David M. Gallegos
Senator Pete Campos
Sen. Roberto J. Gonzales

Agency Name and Code Number: 305 – New Mexico
Department of Justice

Person Writing

Short Title: State Architectural and
Engineering Contracts

Analysis: Aaron Rodriguez

Phone: 505-537-7676

Email: legisfir@nmag.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

House Bill 456 is a duplicate of this bill.

Duplicates/Relates to Appropriation in the General Appropriation Act

None identified at this time.

SECTION III: NARRATIVE

This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator's request. The analysis does not represent any official policy or legal position of the NM Department of Justice.

BILL SUMMARY

Synopsis:

Senate Bill 408 ("SB408") proposes to increase the limit on the total amount 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 the contracts.

SB408 proposes to amend NMSA 1978, Section 13-1-154.1(A) to state that "single contract, including any renewals, does not exceed [six hundred fifty thousand dollars (\$650,000)] two million dollars (\$2,000,000)."

SB408 proposes to amend Section 13-1-154.1(B) to state that "provided that the total amount of [a contract] all contracts and all renewals does not exceed [twelve million five hundred thousand dollars (\$12,500,000) over three] thirty million dollars (\$30,000,000) in a period of no more than ten years and the contract provides that any one purchase order under the contract may not exceed [four million dollars (\$4,000,000)] seven million dollars (\$7,000,000)."

SB408 proposes to amend Section 13-1-154.1(D)(1) to increase the amount from \$7,500,000 to \$15,000,000.

SB408 proposes to amend Section 13-1-154.1(D)(2) to increase the amount from \$12,500,000 to \$30,000,000 and increase the construction term from three (3) years to ten (10) years.

FISCAL IMPLICATIONS

N/A

SIGNIFICANT ISSUES

SB408 proposed language to amend the language from *a contract* to *all contracts* makes it less clear whether it is referencing all contracts under a contractor, or all contracts under a single request for proposals more broadly.

SB408 proposed language of *currently performing* makes it less clear whether it is intending to reference those currently performing as of the date the legislation is enacted, or whether a different meaning is intended.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 456 is a duplicate of this bill.

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

N/A