

1 SENATE BILL 274

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

3 INTRODUCED BY

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10 AN ACT

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

14
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

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

18 "13-6-1. DISPOSITION OF OBSOLETE, WORN-OUT OR UNUSABLE
19 TANGIBLE PERSONAL PROPERTY.--

20 A. The governing authority of each state agency,
21 local public body and school district [~~and state educational~~
22 ~~institution~~] may dispose of any item of tangible personal
23 property belonging to that authority and delete the item from
24 its public inventory upon a specific finding by the authority
25 that the item of property is:

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1 (1) of a current resale value of [~~five~~
2 ~~thousand dollars (\$5,000)] thirty thousand dollars (\$30,000) or
3 less; and~~

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

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

9 (1) designate a committee of at least three
10 officials of the governing authority to approve and oversee the
11 disposition; and

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

19 C. A copy of the official finding and proposed
20 disposition of the property sought to be disposed of shall be
21 made a permanent part of the official minutes of the governing
22 authority and maintained as a public record subject to the
23 Inspection of Public Records Act.

24 D. The governing authority shall dispose of the
25 tangible personal property by negotiated sale to any

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1 governmental unit of an Indian nation, tribe or pueblo in New
2 Mexico or by negotiated sale or donation to other state
3 agencies, local public bodies, school districts [~~state~~
4 ~~educational institutions~~] or municipalities or through the
5 central purchasing office of the governing authority by means
6 of competitive sealed bid or public auction or, if a state
7 agency, through the surplus property bureau of the
8 transportation services division of the general services
9 department.

10 E. A state agency shall give the surplus property
11 bureau of the transportation services division of the general
12 services department the right of first refusal when disposing
13 of obsolete, worn-out or unusable tangible personal property of
14 the state agency.

15 F. If the governing authority is unable to dispose
16 of the tangible personal property pursuant to Subsection D or E
17 of this section, the governing authority may sell or, if the
18 property has no value, donate the property to any organization
19 described in Section 501(c)(3) of the Internal Revenue Code of
20 1986.

21 G. If the governing authority is unable to dispose
22 of the tangible personal property pursuant to Subsection D, E
23 or F of this section, it may order that the property be
24 destroyed or otherwise permanently disposed of in accordance
25 with applicable laws.

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1 H. If the governing authority determines that the
2 tangible personal property is hazardous or contains hazardous
3 materials and may not be used safely under any circumstances,
4 the property shall be destroyed and disposed of pursuant to
5 Subsection G of this section.

6 I. No tangible personal property shall be donated
7 to an employee or relative of an employee of a state agency,
8 local public body or school district [~~or state educational~~
9 ~~institution~~]; provided that nothing in this subsection
10 precludes an employee from participating and bidding for public
11 property at a public auction.

12 J. This section shall not apply to any property
13 acquired by a museum through abandonment procedures pursuant to
14 the Abandoned Cultural Properties Act.

15 K. Notwithstanding the provisions of Subsection A
16 of this section, the department of transportation may sell
17 through public auction or dispose of surplus tangible personal
18 property used to manage, maintain or build roads that exceeds
19 [~~five thousand dollars (\$5,000)~~] thirty thousand dollars
20 (\$30,000) in value. Proceeds from sales shall be credited to
21 the state road fund. The department of transportation shall
22 notify the department of finance and administration regarding
23 the disposition of all property.

24 L. If the secretary of public safety finds that
25 [~~the~~] a K-9 dog presents no threat to public safety, the K-9

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1 dog shall be released from public ownership as provided in this
2 subsection. The K-9 dog shall first be offered to its trainer
3 or handler free of charge. If the trainer or handler does not
4 want to accept ownership of the K-9 dog, then the K-9 dog shall
5 be offered to an organization described in Section 501(c)(3) of
6 the Internal Revenue Code of 1986 free of charge. If both of
7 the above fail, the K-9 dog shall only be sold to a qualified
8 individual found capable of providing a good home to the
9 animal."

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

12 "13-6-2. SALE OF PROPERTY BY STATE AGENCIES OR LOCAL
13 PUBLIC BODIES--AUTHORITY TO SELL OR DISPOSE OF PROPERTY--
14 APPROVAL OF APPROPRIATE APPROVAL AUTHORITY.--

15 A. Providing a written determination has been made,
16 a state agency, local public body or school district [~~or state~~
17 ~~educational institution~~] may sell or otherwise dispose of real
18 or tangible personal property belonging to the state agency,
19 local public body or school district [~~or state educational~~
20 ~~institution~~].

21 B. A state agency, local public body or school
22 district [~~or state educational institution~~] may sell or
23 otherwise dispose of real property:

24 (1) by negotiated sale or donation to an
25 Indian nation, tribe or pueblo located wholly or partially in

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1 New Mexico, or to a governmental unit of an Indian nation,
2 tribe or pueblo in New Mexico, that is authorized to purchase
3 land and control activities on its land by an act of congress
4 or to purchase land on behalf of the Indian nation, tribe or
5 pueblo;

6 (2) by negotiated sale or donation to other
7 state agencies, local public bodies or school districts [~~or~~
8 ~~state educational institutions~~];

9 (3) through the central purchasing office of
10 the state agency, local public body or school district [~~or~~
11 ~~state educational institution~~] by means of competitive sealed
12 bid, public auction or negotiated sale to a private person or
13 to an Indian nation, tribe or pueblo in New Mexico; or

14 (4) if a state agency, through the surplus
15 property bureau of the transportation services division of the
16 general services department.

17 C. A state agency shall give the surplus property
18 bureau of the transportation services division of the general
19 services department the right of first refusal to dispose of
20 tangible personal property of the state agency. A school
21 district may give the surplus property bureau the right of
22 first refusal to dispose of tangible personal property of the
23 school district.

24 D. Except as provided in Section 13-6-2.1 NMSA 1978
25 requiring state board of finance approval for certain

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1 transactions, sale or disposition of real or tangible personal
2 property having a current resale value of more than [~~five~~
3 ~~thousand dollars (\$5,000)~~] thirty thousand dollars (\$30,000)
4 may be made by a state agency, local public body or school
5 district [~~or state educational institution~~] if the sale or
6 disposition has been approved by the state budget division of
7 the department of finance and administration for state
8 agencies, the local government division of the department of
9 finance and administration for local public bodies other than
10 community colleges, the public education department for school
11 districts and the higher education department for [~~state~~
12 ~~educational institutions~~].

13 E. Prior approval of the appropriate approval
14 authority is not required if the value of the real or tangible
15 personal property is less than thirty thousand dollars
16 (\$30,000) or the tangible personal property is to be used as a
17 trade-in or exchange pursuant to the provisions of the
18 Procurement Code.

19 F. The appropriate approval authority may condition
20 the approval of the sale or other disposition of real or
21 tangible personal property upon the property being offered for
22 sale or donation to a state agency, local public body or school
23 district [~~or state educational institution~~].

24 G. The appropriate approval authority may credit a
25 payment received from the sale of such real or tangible

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1 personal property to the governmental body making the sale.
2 The state agency, local public body or school district [~~or~~
3 ~~state educational institution~~] may convey all or any interest
4 in the real or tangible personal property without warranty.

5 H. This section does not apply to:

- 6 (1) computer software of a state agency;
7 (2) those institutions specifically enumerated
8 in Article 12, Section 11 of the constitution of New Mexico;
9 (3) the New Mexico state police division of
10 the department of public safety;
11 (4) the state land office or the department of
12 transportation;
13 (5) property acquired by a museum through
14 abandonment procedures pursuant to the Abandoned Cultural
15 Properties Act;
16 (6) leases of county hospitals with any person
17 pursuant to the Hospital Funding Act;
18 (7) property acquired by the economic
19 development department pursuant to the Statewide Economic
20 Development Finance Act; and
21 (8) the state parks division of the energy,
22 minerals and natural resources department."

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

25 "13-6-2.1. SALES, TRADES OR LEASES--STATE BOARD OF
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1 FINANCE APPROVAL.--

2 A. Except [~~as provided in~~] for sales, trades or
3 leases approved pursuant to Section 13-6-3 NMSA 1978, [for
4 ~~state agencies]~~ any sale, trade or lease [~~for a period]~~ of real
5 property belonging to a state agency, local public body or
6 school district for more than five years [of real property
7 ~~belonging to a state agency, local public body or school~~
8 ~~district or any sale, trade or lease of such real property]~~ or
9 for a consideration of more than [~~twenty-five thousand dollars~~
10 ~~(\$25,000) shall not be valid unless it is]~~ one hundred fifty
11 thousand dollars (\$150,000) shall be approved by the state
12 board of finance prior to its effective date [~~by the state~~
13 ~~board of finance]~~.

14 B. The provisions of this section shall not be
15 applicable to:
16 (1) those institutions specifically enumerated
17 in Article 12, Section 11 of the constitution of New Mexico;
18 (2) the state land office;
19 (3) the state transportation commission;
20 (4) the economic development department when
21 disposing of property acquired pursuant to the Statewide
22 Economic Development Finance Act; or
23 (5) a school district when leasing facilities
24 to a locally chartered or state-chartered charter school."

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

4 "13-6-3. SALE, TRADE OR LEASE OF REAL PROPERTY BY STATE
5 AGENCIES--APPROVAL OF LEGISLATURE--EXCEPTIONS.--

6 A. Any sale, trade or lease for a period exceeding
7 twenty-five years in duration of real property belonging to any
8 state agency, which sale, trade or lease shall be for a
9 consideration of [~~one hundred thousand dollars (\$100,000)~~] five
10 hundred fifty thousand dollars (\$550,000) or more, shall be
11 subject to the ratification and approval of the state
12 legislature prior to the sale, trade or lease becoming
13 effective. [~~The provision specified in Section 13-6-2 NMSA~~
14 ~~1978 requiring approval of the state budget division of the~~
15 ~~department of finance and administration as a prerequisite to~~
16 ~~consummating such sales or dispositions of realty shall not be~~
17 ~~applicable in instances wherein the consideration for the sale,~~
18 ~~trade or lease shall be for a consideration of one hundred~~
19 ~~thousand dollars (\$100,000) or more and wherein a state agency~~
20 ~~not specifically excepted by Subsection B of this section is a~~
21 ~~contracting party, and, in every such instance, the legislature~~
22 ~~shall specify its approval prior to the sale, trade or lease~~
23 ~~becoming effective.~~]

24 B. The provisions of this section shall not be
25 applicable as to those institutions specifically enumerated in

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1 Article 12, Section 11 of the constitution of New Mexico, the
2 state land office, the state transportation commission or the
3 economic development department when disposing of property
4 acquired pursuant to the Statewide Economic Development Finance
5 Act."

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

8 "13-6-4. DEFINITIONS.--As used in Chapter 13, Article 6
9 NMSA 1978:

10 A. "local public body" means all political
11 subdivisions ~~[except]~~ of the state, including their agencies,
12 instrumentalities and institutions, and includes community
13 colleges but excludes municipalities and school districts [of
14 ~~the state and their agencies, instrumentalities and~~
15 ~~institutions];~~

16 B. "state agency" means the state ~~[of New Mexico]~~
17 or any of its branches, agencies, departments, boards,
18 instrumentalities or institutions other than state educational
19 institutions;

20 C. "state educational institutions" means those
21 institutions designated by Article 12, Section 11 of the
22 constitution of New Mexico; and

23 D. "school districts" means those political
24 subdivisions of the state established for the administration of
25 public schools, segregated geographically for taxation and

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bonding purposes and governed by the Public School Code."

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