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HOUSE BILL

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

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO FINANCE; REQUIRING THE NEW MEXICO FINANCE AUTHORITY TO PROMULGATE RULES TO ADMINISTER AND PROVIDE PUBLIC PROJECT FINANCING FROM THE PUBLIC PROJECT REVOLVING FUND FOR THE PURPOSES OF FINANCING BROADBAND PROJECTS AND TRANSPORTATION PROJECTS PURSUANT TO A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT; PROVIDING AN EXEMPTION FROM THE PROCUREMENT CODE.

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

**SECTION 1.** A new section of the New Mexico Finance Authority Act is enacted to read:

"~~[NEW MATERIAL]~~ PUBLIC PROJECT FINANCE PROGRAM--PUBLIC-PRIVATE PARTNERSHIPS--RULEMAKING.--"

A. As used in this section:

(1) "broadband project" means a project to develop, repair, replace or maintain the state facilities or

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1 infrastructure used to provide internet, including the  
2 electronics, equipment, transmission facilities, fiber-optic  
3 cables and any other item directly related to a system capable  
4 of transmission of internet protocol or other formatted data at  
5 current federal communications commission minimum speed  
6 standard, all of which shall be owned and used by a provider of  
7 internet access services;

8 (2) "public-private partnership" means an  
9 arrangement between one or more public qualified entities and  
10 one or more private entities for the development of a broadband  
11 project or a transportation project;

12 (3) "public qualified entity" means the state  
13 or any of its branches, agencies, departments, boards,  
14 instrumentalities or institutions and all political  
15 subdivisions of the state; and

16 (4) "transportation project" means studies,  
17 planning, design, construction and maintenance of  
18 transportation infrastructure located in this state.

19 B. The authority shall promulgate rules to  
20 administer and provide public project financing from the public  
21 project revolving fund to public qualified entities for the  
22 purposes of financing broadband projects and transportation  
23 projects pursuant to a public-private partnership agreement;  
24 provided that the rules shall be consistent with existing laws  
25 governing the public project revolving fund."

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1           SECTION 2. Section 13-1-98 NMSA 1978 (being Laws 1984,  
2 Chapter 65, Section 71, as amended by Laws 2023, Chapter 149,  
3 Section 2 and by Laws 2023, Chapter 174, Section 1) is amended  
4 to read:

5           "13-1-98. EXEMPTIONS FROM THE PROCUREMENT CODE.--The  
6 provisions of the Procurement Code shall not apply to:

7           A. procurement of items of tangible personal  
8 property or services by a state agency or a local public body  
9 from a state agency, a local public body or external  
10 procurement unit except as otherwise provided in Sections  
11 13-1-135 through 13-1-137 NMSA 1978;

12           B. procurement of tangible personal property or  
13 services for the governor's mansion and grounds;

14           C. printing and duplicating contracts involving  
15 materials that are required to be filed in connection with  
16 proceedings before administrative agencies or state or federal  
17 courts;

18           D. purchases of publicly provided or publicly  
19 regulated gas, electricity, water, sewer and refuse collection  
20 services;

21           E. purchases of books, periodicals, instructional  
22 materials and training materials in printed, digital or  
23 electronic format from the publishers, designated public-  
24 education-department-approved instructional material  
25 depositories or copyright holders thereof and purchases of

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1 print, digital or electronic format library materials by  
2 public, school and state libraries for access by the public;

3 F. travel or shipping by common carrier or by  
4 private conveyance or to meals and lodging;

5 G. purchase of livestock at auction rings or to the  
6 procurement of animals to be used for research and  
7 experimentation or exhibit;

8 H. contracts with businesses for public school  
9 transportation services;

10 I. procurement of tangible personal property or  
11 services, as defined by Sections 13-1-87 and 13-1-93 NMSA 1978,  
12 by the corrections industries division of the corrections  
13 department pursuant to rules adopted by the corrections  
14 industries commission, which shall be reviewed by the  
15 purchasing division of the general services department prior to  
16 adoption;

17 J. purchases not exceeding ten thousand dollars  
18 (\$10,000) consisting of magazine subscriptions, web-based or  
19 electronic subscriptions, conference registration fees and  
20 other similar purchases where prepayments are required;

21 K. municipalities having adopted home rule charters  
22 and having enacted their own purchasing ordinances;

23 L. the issuance, sale and delivery of public  
24 securities pursuant to the applicable authorizing statute, with  
25 the exception of bond attorneys and general financial

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1 consultants;

2 M. contracts entered into by a local public body  
3 with a private independent contractor for the operation, or  
4 provision and operation, of a jail pursuant to Sections 33-3-26  
5 and 33-3-27 NMSA 1978;

6 N. contracts for maintenance of grounds and  
7 facilities at highway rest stops and other employment  
8 opportunities, excluding those intended for the direct care and  
9 support of persons with handicaps, entered into by state  
10 agencies with private, nonprofit, independent contractors who  
11 provide services to persons with handicaps;

12 O. contracts and expenditures for services or items  
13 of tangible personal property to be paid or compensated by  
14 money or other property transferred to New Mexico law  
15 enforcement agencies by the United States department of justice  
16 drug enforcement administration;

17 P. contracts for retirement and other benefits  
18 pursuant to Sections 22-11-47 through 22-11-52 NMSA 1978;

19 Q. contracts with professional entertainers;

20 R. contracts and expenditures for legal  
21 subscription and research services and litigation expenses in  
22 connection with proceedings before administrative agencies or  
23 state or federal courts, including experts, mediators, court  
24 reporters, process servers and witness fees, but not including  
25 attorney contracts;

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1           S. contracts for service relating to the design,  
2 engineering, financing, construction and acquisition of public  
3 improvements undertaken in improvement districts pursuant to  
4 Subsection L of Section 3-33-14.1 NMSA 1978 and in county  
5 improvement districts pursuant to Subsection L of Section  
6 4-55A-12.1 NMSA 1978;

7           T. works of art for museums or for display in  
8 public buildings or places;

9           U. contracts entered into by a local public body  
10 with a person, firm, organization, corporation or association  
11 or a state educational institution named in Article 12, Section  
12 11 of the constitution of New Mexico for the operation and  
13 maintenance of a hospital pursuant to Chapter 3, Article 44  
14 NMSA 1978, lease or operation of a county hospital pursuant to  
15 the Hospital Funding Act or operation and maintenance of a  
16 hospital pursuant to the Special Hospital District Act;

17           V. purchases of advertising in all media, including  
18 radio, television, print and electronic;

19           W. purchases of promotional goods intended for  
20 resale by the tourism department;

21           X. procurement of printing, publishing and  
22 distribution services for materials produced and intended for  
23 resale by the cultural affairs department;

24           Y. procurement by or through the public education  
25 department from the federal department of education relating to

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1 parent training and information centers designed to increase  
2 parent participation, projects and initiatives designed to  
3 improve outcomes for students with disabilities and other  
4 projects and initiatives relating to the administration of  
5 improvement strategy programs pursuant to the federal  
6 Individuals with Disabilities Education Act; provided that the  
7 exemption applies only to procurement of services not to exceed  
8 two hundred thousand dollars (\$200,000);

9 Z. procurement of services from community  
10 rehabilitation programs or qualified individuals pursuant to  
11 the State Use Act;

12 AA. purchases of products or services for eligible  
13 persons with disabilities pursuant to the federal  
14 Rehabilitation Act of 1973;

15 BB. procurement, by either the department of health  
16 or Grant county or both, of tangible personal property,  
17 services or construction that are exempt from the Procurement  
18 Code pursuant to Section 9-7-6.5 NMSA 1978;

19 CC. contracts for investment advisory services,  
20 investment management services or other investment-related  
21 services entered into by the educational retirement board, the  
22 state investment officer or the retirement board created  
23 pursuant to the Public Employees Retirement Act;

24 DD. the purchase for resale by the state fair  
25 commission of feed and other items necessary for the upkeep of

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1 livestock;

2 EE. contracts entered into by the crime victims  
3 reparation commission to distribute federal grants to assist  
4 victims of crime, including grants from the federal Victims of  
5 Crime Act of 1984 and the federal Violence Against Women Act of  
6 1994;

7 FF. procurement by or through the early childhood  
8 education and care department of early pre-kindergarten and  
9 pre-kindergarten services purchased pursuant to the  
10 Pre-Kindergarten Act;

11 GG. procurement of services of commissioned  
12 advertising sales representatives for New Mexico magazine;

13 HH. public-private partnership agreements for the  
14 performance of a broadband project or a transportation project  
15 pursuant to Section 1 of this 2025 act;

16 [~~HH.~~] II. contracts entered into by the forestry  
17 division of the energy, minerals and natural resources  
18 department to distribute federal grants to nongovernmental  
19 entities and individuals selected through an application  
20 process conducted by the United States department of  
21 agriculture, the United States department of the interior or  
22 any division or bureau thereof for programs for wildfire  
23 prevention or protection, urban forestry, forest and watershed  
24 restoration and protection, reforestation or economic  
25 development projects to advance the use of trees and wood

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