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SENATE BILL 173

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Stuart Ingle

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 [~~AWARD~~] EXECUTION OF
CONTRACT. --If prior to [~~award~~] 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 [~~a~~] the proposed contract is in violation of
law, then the solicitation or proposed award shall be
[~~cancelled~~] cancel ed."

underscored material = new
[~~bracketed material~~] = delete

underscored material = new
[bracketed material] = delete

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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 ~~[AN AWARD]~~ EXECUTION OF CONTRACT. -- If after ~~[an award]~~ 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 [a] the contract ~~[is]~~ was in violation of law and if the business awarded the contract ~~[has not acted]~~ 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 ~~[business awarded the contract]~~ contractor shall be compensated for the actual expenses reasonably incurred under the contract plus a reasonable profit prior to termination."