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FISCAL IMPACT REPORT

SPONSOR Robinson ORIGINAL DATE 2/12/07
LAST UPDATED _____ HB _____
SHORT TITLE Campaign Disclosure Laws & Certain Contracts SB 737
ANALYST Wilson

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		(\$0.1)	(\$0.1)	(\$0.1)	Recurring	General Fund & others

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Attorney General's Office (AGO)

Energy, Minerals & Natural Resources Department (EMNRD)

SUMMARY

Synopsis of Bill

Senate Bill 737 amends NMSA 1978, Section 13-1-191.1.A., Campaign Contribution Disclosure and Prohibition, to set a minimum contract value of \$12,000 per year before the requirements of campaign disclosure laws kick in.

FISCAL IMPLICATIONS

The provisions of this bill will streamline contracts processing and ease the paperwork burden on both prospective contractors and entities.

SIGNIFICANT ISSUES

SB 737 sets the contract value at which prospective contractors must file the Campaign Contribution Disclosure Form at a market value equal to or greater than \$12,000 per year. This gives guidance to prospective contractors and entities which must comply with the law at what point the form must be filed. It lessens paperwork on both prospective contractors and entities while still protecting the State of New Mexico.

EMNRD suggests increasing the yearly threshold to \$30,000, the level at which when procuring professional services, entities are required to issue an RFP. This will better track the

Procurement Code and streamline contract processing, while still protecting the State’s interests.

ADMINISTRATIVE IMPLICATIONS

Currently, agencies must require completion of the Campaign Contribution Disclosure Form for procurement of **all** types of professional services, or for construction projects procured via a Request for Proposals (RFP). SB 773 will allow agencies to bypass this requirement for small contracts i.e. a \$1,600 contract for meeting facilitation as well as for contracts which do not meet the threshold such as a one-year \$10,000 contract for wind power monitoring or a four-year contract for educational programs that does not exceed \$12,000 per year. This change will streamline contracts processing and ease the paperwork burden on both prospective contractors and entities.

DW/mt