

A MEMORIAL

REQUESTING STATE AGENCIES AND THE ATTORNEY GENERAL TO REVIEW THE PROCESSES USED TO REVIEW AND APPROVE STATE CONTRACTS AND TO MAKE RECOMMENDATIONS FOR IMPROVING THOSE PROCESSES.

WHEREAS, pursuant to a rule promulgated by the department of finance and administration, the office of the attorney general formerly reviewed for "legal form and sufficiency" all professional services contracts entered into with state agencies that were in excess of two hundred fifty thousand dollars (\$250,000), which rule has now been repealed; and

WHEREAS, since the repeal of the rule requiring the review of professional services contracts by the attorney general, state agencies have not had any independent review of their professional services contracts by a non-agency state officer; and

WHEREAS, the department of finance and administration oversees, reviews and approves a large number of state agency contracts; and

WHEREAS, the general services department and its purchasing division handle a large number of state agency contracts; and

WHEREAS, large state agencies such as the department of health, the human services department and the department of

transportation also handle a large number of state agency contracts; and

WHEREAS, there is concern about so-called pay-to-play contracts and whether there is sufficient independent review of the state's contracting and review processes; and

WHEREAS, there is concern about the number of state agencies that are exempt from the Procurement Code, its required competitive bid processes and whether those exemptions should continue to apply; and

WHEREAS, there is concern about the lack of oversight review of sole source and emergency contracts, and about the justifications and necessity for proceeding with such contracts without oversight review; and

WHEREAS, an efficient electronic review system for all state contracts would be a desirable resource for tracking those contracts; and

WHEREAS, whether the office of the attorney general or another method of checks and balances should be in place to review state agency contracts is an issue worthy of consideration, provided that there are sufficient resources to provide for the review, and provided further that the review would not unduly delay the state contracting processes, particularly for legitimate emergency requests;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NEW MEXICO that the office of

the attorney general, the department of finance and administration, the general services department and other state agencies actively involved in the processing of state contracts be requested to meet together to review issues related to the oversight and review of state contracts and make recommendations to the legislature on how best to proceed to protect the integrity of the state contracting process; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the governor, the attorney general, all cabinet-level department heads and the director of the legislative finance committee.