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FISCAL IMPACT REPORT

ORIGINAL DATE 02/02/13

SPONSOR Ezzell LAST UPDATED _____ HB 188

SHORT TITLE Contractor Agreement With Labor Organizations SB _____

ANALYST Boerner

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0.0	\$0.0	\$0.0	\$0.0	Nonrecurring	None

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 224

SOURCES OF INFORMATION

LFC Files

Responses Received From

General Services Department (GSD)
 Department of Finance and Administration (DFA)
 Attorney General's Office (AGO)

SUMMARY

Synopsis of Bill

This bill prohibits a state agency or local public body that is awarding a public works contract from *requiring* contractors to enter into or adhere to an agreement with a labor organization.

Likewise, the bill prevents the same entities from *prohibiting* contractors from entering into or adhering to an agreement with a labor organization.

Finally, the bill states that a state agency or local public body that is awarding a public works contract shall not otherwise discriminate against a bidder, offeror, contractor or subcontractor with respect to awardee decisions regarding whether to enter into or adhere to agreements with labor organizations.

FISCAL IMPLICATIONS

None noted.

SIGNIFICANT ISSUES

The bill defines specific rights for contractors regarding agreements with labor organizations as broadly provided in Section 13-1-29 (C) NMSA 1978 (Procurement Code provides for the “fair and equitable treatment of all persons involved in public procurement, to maximize the purchasing value of public funds and to provide safeguards for maintaining a procurement system of quality and integrity”).

OTHER SUBSTANTIVE ISSUES

The DFA pointed out that drafters may wish to investigate whether the bill impacts the Public Works Minimum Wage Act [13-4-10 to 13-4-17 NMSA 1978].

CAB/bm