

1 SENATE BILL 381

2 **55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

3 INTRODUCED BY

4 Gregg Schmedes

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10 AN ACT

11 RELATING TO PUBLIC CONTRACTS; REQUIRING THAT PUBLIC CONTRACTS
12 PROVIDE FOR INCREASED CONTRACTOR AND SUBCONTRACTOR
13 REIMBURSEMENT AND WORKER WAGE INCREASES IN ACCORDANCE WITH AND
14 CONCURRENT WITH STATE MINIMUM WAGE INCREASES.

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

17 SECTION 1. A new section of the Minimum Wage Act is
18 enacted to read:

19 "[NEW MATERIAL] PUBLIC CONTRACTS--SERVICES--MINIMUM WAGE
20 INCREASES.--

21 A. Beginning July 1, 2021, a state agency that
22 contracts for services shall include in the terms of that
23 contract:

24 (1) a provision for increasing reimbursement
25 so that the contractor and any subcontractor to that contract

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1 are held harmless for any wage increase resulting from an
2 increase in the state minimum wage; and

3 (2) a requirement that individuals employed
4 pursuant to that contract or a subcontract of that contract who
5 are paid the state minimum wage shall receive wage increases in
6 accordance with and concurrent with increases in the state
7 minimum wage.

8 B. As used in this section:

9 (1) "contract" means any agreement for the
10 procurement of services;

11 (2) "services" means the furnishing of labor,
12 time or effort by a contractor or subcontractor not involving
13 the delivery of a specific end product other than reports and
14 other materials that are merely incidental to the required
15 performance; and

16 (3) "subcontract" means a contract subordinate
17 to another superordinate contract, which subcontract is to
18 procure in whole or in part services to be procured under the
19 terms of the superordinate contract."