

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: SB206 amends the State Procurement Code to: Increase to minimum (threshold) amounts for certain local/state public works projects and adds language to allow for “public-private partnership agreements; Requires State Agencies (SAs) and Local Public Bodies (LPBs) to provide up to two names for Chief Procurement Officer and amends CPO Certification Requirements to allow for continuing education units; Increases Exemption Maximum Amounts for certain purchases; Allows for ECECD to contract for childcare services; Adds exemptions for Information Technology Enterprise Services Capital Equipment and Software Contracts; Exempts purchases for digitizing state or federal records and for appraisals/surveys for purchasing real property; Increases small purchase amounts excluded from Central Purchasing; Excludes certain sole source contracts from Central Purchasing for Agencies with a Certified Procurement Office and allows up to 4-year contract terms; Changes invitation for bid posting and publication requirements/expenditure amounts, and allows for modification/withdrawal of bids containing mistakes; Requires that professional services contracts be reviewed by the State Purchasing Agent or a GSD Designee; Allows for identifying the responsible individual(s) for management and negotiation for certain qualifications-based contracts and adds a definition for “responsible individual”; Increases threshold amounts for those purchases by the State Purchasing Agent; Increases the Direct PO threshold amount issued by SAs or LPBs; Changes certain intent to award sole source contract requirements; Adds requirement for cost or pricing data by prospective contractors for competitive sealed bid or requests for proposals; and Increases maximum terms for professional services contracts to eight (8) years.

FISCAL IMPLICATIONS

This Bill would not have a negative fiscal impact on Doit. These changes/additions provide the flexibility to procure personal tangible property and services at costs that align with current market trends immediately, rather than having to procure through formal procurement, that, when purchased through the State Purchasing Agent’s offices causes significant delays of greater than 180 days.

Of great fiscal benefit are those discounts that will be realized with the allowance of up to 8-year capital purchases of IT/Software Licenses and the ability to procure through exemption.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

Section 13-1-38.1 NMSA defines the CPO role using the singular term “person”. To the extent that this implies an agency can only have one CPO, the proposed changes in Section 5 of the bill clarify that an agency can have up to two CPOs. These substantive provisions would supercede any conflicting implication from the definitions section of the Code. Agencies with multiple

persons in the CPO role will need to implement procedures to avoid conflicting actions or instructions from their CPO team.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Continued significant delays of greater than 180 days for the award of formal procurements made by the State Purchasing Agent's Office; the loss of discounts in multi-million-dollar capital IT/software license purchases due to the inability to contract past 4-year contract terms.

AMENDMENTS

To avoid potential confusion, amend definition of CPO as follows:

"Chief procurement officer" means the person(s) within a state agency's or local public body's central purchasing office responsible for the control of procurement of items of tangible personal property, services or construction. "Chief procurement officer" includes the state purchasing agent.