

LFC Requester:	Emily Hilla
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 01/31/25 *Check all that apply:*
Bill Number: SB217 Original Correction
 Amendment Substitute

Sponsor: Sen. Padilla, Sen. Sariñana **Agency Name and Code** State Ethics Commission (410)
Short Title: Clarifying DoIT's role in procurement **Number:** _____
Person Writing Jessica Randall
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected

Total	Indeterminate	Indeterminate	Indeterminate			General
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(Parenthesis () Indicate Expenditure Decreases)

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

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: SB217 makes changes to NMSA 1978, Section 9-27-6 (2007) which outlines the Department of Information and Technology (“DoIT”) Cabinet Secretary’s duties and responsibilities. Section 9-27-6 identifies that the DoIT Secretary is also the Chief Information Officer, requiring her in relevant part to: approve all agency procurements related to information technology (“IT”) whether in the form of requests for proposals (“RFPs”), emergency procurement, sole source contracts, fixed price agreements or other contracts under the Procurement Code NMSA 1978, §§ 13-1-28 to -199 (1984, as amended through 2023); prior to final approval. Section 9-27-6 requires the Secretary to again approve all state agency contracts related to IT, but before the agency submits those contracts to the Department of Finance and Administration (“DFA”). And finally, Section 9-27-6 requires the Secretary to promulgate rules for oversight of agency IT procurement.

SB217 changes these Secretary’s duties by eliminating the requirement that agencies obtain the approval from the Secretary before final approval of agency IT procurements, and approval of IT related contracts before submitting the contracts to DFA for approval. And instead requires that the Secretary approve IT related *projects* by state agencies before any procurement process is initiated. SB217 also eliminates the requirement to promulgate oversight regulations related to state agency IT procurement and replaces that requirement with the requirement to promulgate rules for oversight of agency IT projects.

FISCAL IMPLICATIONS

The fiscal impact on the State Ethics Commission (“SEC”) is unlikely. The SEC is already tasked with enforcement of the Procurement Code, *see* NMSA 1978 § 10-16G-9(A)(providing that the Commission has enforcement jurisdiction over the compliance provisions of certain statutes, including the Procurement Code). SB 217 eliminates the additional oversight requirements imposed upon state agencies before they may utilize the procurement process in obtaining IT related contracts. Therefore, the requirements and proscriptions under the Procurement Code is unaffected.

Worth mentioning, Section 13-1-118 (2019) concerns contract review for professional services contracts. The 2019 amendment removed DFA from the responsibility of reviewing contracts for professional services with state agencies, and now provides that “[a]ll contracts for professional services with state agencies shall be reviewed as to form, legal sufficiency and budget requirements by the general services department if required by the regulations of the department.” §13-1-128.

Assuming that state agency “IT procurement” may also at times be the procurement of “professional services” as determined by the agency’s Chief Procurement Officer, *see* §13-1-76; *see also* § 13-1-95.2 then the changes in SB217 eliminating the requirement of submitting IT

contracts to the Secretary before submitting to DFA makes Section 9-27-6 consistent with the changes made in 2019 to the Section 13-1-128 of Procurement Code as well.

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS