800 Bradbury Dr. SE Suite 217 Albuquerque, NM 87106 <u>www.sec.nm.gov</u>



Hon. William F. Lang (*Chair*) Jeffrey L. Baker Stuart M. Bluestone Hon. Celia Castillo Hon. Gary Clingman Hon. Dr. Terry McMillan Dr. Judy Villanueva

STATE ETHICS COMMISSION

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CONTACT: Amelia Bierle Deputy Director <u>Amelia.Bierle@sec.nm.gov</u> (505) 554 7706

PRESS RELEASE

State Ethics Commission announces settlement agreements with Luna County officials, contractor, and former employee

Albuquerque, NM, March 21, 2025 – The New Mexico State Ethics Commission has reached two settlement agreements resolving allegations of violations of the Procurement Code and the Governmental Conduct Act involving Luna County officials, a contractor to Luna County, and a former Luna County economic development director.

The Procurement Code requires that state and local agencies in New Mexico use a request for proposals process to award large contracts for professional services and prevents self-dealing by government employees who are involved in government contracts. The Governmental Conduct Act, in turn, stops the revolving door, prohibiting former government employees from obtaining government contracts within the year after leaving government service. The State Ethics Commission has reached two settlement agreements with Luna County officials, a contractor, and former employee that satisfactorily address those legal and ethical requirements in government contracting.

The first settlement involves Christie Ann Harvey and The Greater Luna County Economic Opportunity Council, Inc. ("The Council"). In the settlement agreement, the Commission alleges that:

• Ms. Harvey represented The Council for pay before Luna County within one year of leaving her employment with Luna County, including contract negotiations and execution on behalf of The Council, in violation of Section 10-16-8(D) of the Governmental Conduct Act;

- Ms. Harvey, while employed by both Luna County and The Council, improperly participated in Luna County's procurement process for economic development services from The Council, in violation of Section 13-1-193 of the Procurement Code; and
- Luna County improperly awarded contracts to The Council in violation of the Procurement Code.

To resolve these allegations, Ms. Harvey and The Council have agreed that:

- Ms. Harvey will pay a \$500 civil penalty to the State of New Mexico, an amount that corresponds to a civil penalty for two violations of the Governmental Conduct Act; and
- Either Ms. Harvey or The Council will pay a \$1,000 civil penalty to Luna County, an amount that corresponds to a single penalty for a violation of the Procurement Code.

The second settlement involves Luna County officials Chris Brice, County Manager, and Joanne Hethcox, Chief Procurement Officer. In the settlement agreement, the Commission alleges that:

• Luna County awarded four contracts—totaling over \$400,000—to The Council without using the legally required competitive request for proposals (RFP) process, in violation of Sections 13-1-111 to 13-1-117.1 of the Procurement Code.

As part of the settlement, Luna County has agreed to:

- Cancel the \$125,000 contract awarded to The Council on July 1, 2024.
- Ensure compliance with the Procurement Code by requiring an RFP process for any contract exceeding \$20,000 for professional economic-development services over the next two years.
- Require procurement training for County officials within one year, through the New Mexico General Services Department or NM EDGE at New Mexico State University.

Read the full settlement agreements here: (1) <u>Settlement agreement between and</u> among the New Mexico State Ethics Commission, and Christie Ann Harvey and The Greater Luna County Economic Opportunity Council, Inc. (2) <u>Settlement</u> agreement between and among the New Mexico State Ethics Commission, and Chris A. Brice and Joanne Hethcox

About the State Ethics Commission

The State Ethics Commission is an independent, constitutional state agency with the authority to enforce civil violations of New Mexico's governmental ethics and disclosure statutes, including the Procurement Code and the Governmental Conduct Act. The Commission is comprised of three Democratic Commissioners, three Republican Commissioners, and one independent Commissioner who is registered as "decline to state."

For more information about the State Ethics Commission, please visit sec.nm.gov.