

LFC Requester:	Anne Hanika-Ortiz
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**AGENCY BILL ANALYSIS
2015 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

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

Check all that apply: **Date** February 23, 2015
Original **Amendment** **Bill No:** HB 557-305
Correction **Substitute**

Sponsor: Rep. Bob Wooley **Agency Code:** Attorney General's Office
Short Resident Veteran Business **Person Writing** Sally Malavé, AAG
Title: Preference Changes **Phone:** (505)827-6031 **Email** smalave@nmag.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY15	FY16	FY17		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Conflicts with Senate Bill 212, that purports to extend the existing resident veteran business preference to the parents and surviving spouses of veterans.

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Letter. This is a staff analysis in response to an agency’s, committee’s, or legislator’s request.

BILL SUMMARY

Synopsis: House Bill 557 amends sections of the Procurement Code relating to the preferences conferred on resident veteran businesses. It repeals the various resident veteran business preferences that are based on a veteran business’s annual revenues and instead establishes a single resident veteran business preference for those businesses “with annual revenues up to three million dollars (\$3,000,000) to be ten percent (10%) lower than the bid actually submitted.” HB 557 also repeals the section that limits the yearly resident veteran business preference conferred to an aggregate of \$10 million in purchases by local public bodies from all resident veteran businesses receiving preferences. Instead, it proposes to limit the period during which a resident veteran business may benefit from the preference to ten (10) years.

FISCAL IMPLICATIONS There are no fiscal implications to this office.

SIGNIFICANT ISSUES None.

PERFORMANCE IMPLICATIONS There are no performance implications to this office.

ADMINISTRATIVE IMPLICATIONS There are no administrative implications to this office.

CONFLICT

Conflicts with Senate Bill 212, that purports to extend the existing resident veteran business preference to the parents and surviving spouses of veterans.

TECHNICAL ISSUES None.

OTHER SUBSTANTIVE ISSUES None.

ALTERNATIVES None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL Status quo. The preference on resident veteran businesses bidding on state contracts will be determined by

its annual revenues and limited to a yearly aggregate of \$10 million in purchases by local public bodies from all resident veteran businesses receiving preferences.

AMENDMENTS None.