

Bill expands procurement preference for NM businesses

Written by By John A. Garcia GSD Secretary-designate
Friday, 11 February 2022 05:17

SANTA FE — New Mexico's economy is bouncing back from the downturn caused by the coronavirus public health crisis, with unemployment down to near pre-pandemic levels and the number of jobs rising steadily.

We must keep up that momentum. And, just as importantly, we must leave no one behind.

That's why Gov. Michelle Lujan Grisham has proposed expanding the administration's Buy New Mexico initiative to further help in-state businesses thrive and create jobs.

The proposed legislation, Senate Bill 39, would increase from 5 percent to 8 percent the bidding preference for certified New Mexico resident businesses when they seek state and local contracts for goods and services.

The measure also would change state law to allow Native American-owned businesses operating on tribal land to qualify as certified New Mexico resident businesses and, for the first time, receive the same bidding preference as other in-state companies.

Senate Bill 39 – sponsored by Sen. Benny Shendo Jr., D-Jemez Pueblo, and Rep. Harry Garcia, D-Grants — also includes two provisions important for our veterans.

First, the bill would renew the 10 percent bidding preference for certified New Mexico resident veteran businesses, which is due to expire June 30 without action by the Legislature to extend it.

Second, the measure would eliminate the provision in state law that prohibits New Mexico veteran businesses with more than \$3 million in annual revenues from receiving a bidding preference.

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Each year, the state of New Mexico and local public bodies spend billions of dollars to buy goods and services, everything from janitorial supplies to computers, landscaping services to legal representation.

Since Lujan Grisham took office, we have been working at the General Services Department to grow the share of the purchasing pie that goes to New Mexico businesses.

We have expanded our outreach to business groups, tribal governments and others to increase the number of New Mexico businesses that are registered to receive invitations to bid and requests for proposals from GSD's State Purchasing Division.

We also began highlighting New Mexico businesses on our online listing of companies that have won price agreements with State Purchasing to supply goods and services to state and local governments.

Our efforts are paying off. In fiscal year 2021, we saw a nine percent increase in the number of New Mexico businesses registering with State Purchasing for notices of upcoming contract awards.

Senate Bill 39 will help New Mexico grow a more diverse and stronger economy as it emerges from the COVID-19 pandemic.

We have learned – sometimes painfully -- over the years that New Mexico needs to build a more diverse and resilient economy. That is a challenge, but keeping more New Mexico purchasing dollars in New Mexico, helping our neighbors grow their businesses, is one piece of that puzzle.

Editor's Note: SB39 was reported by committee with a Do Pass recommendation on Jan. 28.

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