

HOUSE FLOOR SUBSTITUTE FOR  
HOUSE BILL 460

53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; ENACTING THE BIOSCIENCE  
DEVELOPMENT ACT; CREATING THE BIOSCIENCE DEVELOPMENT FUND.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. [NEW MATERIAL] SHORT TITLE.--This act may be  
cited as the "Bioscience Development Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the  
Bioscience Development Act:

A. "authority" means the bioscience authority;

B. "bioscience" means the scientific areas  
represented by life sciences and biotechnology that are  
included in the five industries recognized by the United States  
department of labor:

(1) drugs and pharmaceuticals;

(2) medical devices and equipment;

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1 (3) research testing and medical laboratories;  
2 (4) bioscience-related distribution; and  
3 (5) agriculture and chemicals related to  
4 bioscience;

5 C. "financial assistance" means tax incentives,  
6 grants, loans and other financial benefits provided for  
7 projects to a qualified entity on terms and conditions approved  
8 by the authority;

9 D. "national laboratories" means Los Alamos  
10 national laboratory and Sandia national laboratories;

11 E. "research institutions" means the university of  
12 New Mexico, New Mexico state university and the New Mexico  
13 institute of mining and technology; and

14 F. "technological innovations" means research,  
15 development, prototype assembly, manufacture, patenting,  
16 licensing, marketing and sale of inventions, ideas, practices,  
17 applications, processes, machines, technology and related  
18 property rights of all kinds.

19 SECTION 3. [NEW MATERIAL] BIOSCIENCE AUTHORITY CREATED--  
20 BOARD OF DIRECTORS--MEMBERSHIP.--

21 A. The "bioscience authority" is created as a  
22 public-private partnership representing a collaborative among  
23 state government, research institutions, national laboratories  
24 and private industry in New Mexico. The authority is  
25 administratively attached to the economic development

1 department.

2 B. The board of directors of the authority shall  
3 consist of sixteen voting members as follows:

4 (1) the secretaries of economic development  
5 and higher education or their designees;

6 (2) the vice president for research of the  
7 university of New Mexico;

8 (3) the vice chancellor for research of the  
9 university of New Mexico health sciences center;

10 (4) the vice president for research of New  
11 Mexico state university;

12 (5) the vice president for research and  
13 economic development of the New Mexico institute of mining and  
14 technology;

15 (6) the director of the New Mexico state  
16 university institute of applied biosciences; and

17 (7) nine members of the public who have  
18 experience working in bioscience, appointed as follows:

19 (a) three members appointed by the  
20 governor with the consent of the senate;

21 (b) three members appointed by the  
22 president pro tempore of the senate with the consent of the  
23 senate; and

24 (c) three members appointed by the  
25 speaker of the house of representatives with the consent of the

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1 senate.

2 C. The executive director of the authority shall  
3 serve as a nonvoting member of the board of directors.

4 D. The public members appointed pursuant to  
5 Paragraph (7) of Subsection B of this section by the governor,  
6 the president pro tempore of the senate and the speaker of the  
7 house of representatives shall be residents of the state and  
8 shall serve for terms of three years, except for the initial  
9 appointees, who shall be appointed so that the terms are  
10 staggered after initial appointment. Initial appointees by the  
11 governor, the president pro tempore of the senate and the  
12 speaker of the house shall be appointed by their appointing  
13 authority to serve terms as follows: one member for one year;  
14 one member for two years; and one member for three years.

15 E. Appointed voting members of the board of  
16 directors of the authority may be reimbursed for per diem and  
17 mileage in accordance with the provisions of the Per Diem and  
18 Mileage Act that apply to nonsalaried public officers, unless a  
19 different provision of that act applies to a specific member,  
20 in which case that member shall be paid under the applicable  
21 provision. Members shall receive no other compensation,  
22 perquisite or allowance for serving as a member of the board of  
23 directors.

24 F. The secretary of economic development or the  
25 secretary's designee shall serve as the chair of the board of

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1 directors of the authority. Members of the board of directors  
2 shall elect any other officers from the membership that the  
3 board determines to be appropriate.

4 G. The chair and four voting members of the board  
5 of directors of the authority appointed by the chair, two of  
6 whom shall be public members, shall constitute the "bioscience  
7 authority executive committee". The executive director of the  
8 board of directors shall be a nonvoting member of the executive  
9 committee. The executive committee shall have powers and  
10 duties as delegated to it by the board of directors.

11 H. If a vacancy occurs among the appointed voting  
12 members of the board of directors, the appointing authority of  
13 the former member shall appoint a replacement to serve out the  
14 term of that member. If an appointed member's term expires,  
15 the member shall continue to serve until another person is  
16 appointed.

17 I. The board of directors shall meet at the call of  
18 the chair and shall meet at least once every three months.

19 J. The board of directors shall maintain written  
20 minutes of all meetings of the authority and maintain other  
21 appropriate records, including financial transaction records in  
22 compliance with law and adequate to provide an accurate record  
23 for audit purposes pursuant to the Audit Act.

24 SECTION 4. [NEW MATERIAL] AUTHORITY POWERS AND DUTIES.--

25 A. The authority shall:

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1                   (1) advise the governor, the economic  
2 development department, the legislature and the New Mexico  
3 finance authority oversight committee on methods, proposals,  
4 programs and initiatives that may stimulate investment in  
5 bioscience industries and provide additional employment  
6 opportunities for New Mexico residents;

7                   (2) make and execute all contracts and other  
8 instruments necessary or convenient to the exercise of its  
9 powers and duties;

10                  (3) create programs to expand bioscience  
11 economic opportunities within New Mexico, including potential  
12 means of providing financial assistance and incentives for  
13 bioscience industries and facilities;

14                  (4) create avenues of communication between  
15 New Mexico and representatives of bioscience industries;

16                  (5) promote legislation that will further the  
17 goals of the authority and development of bioscience industries  
18 and facilities;

19                  (6) oversee, produce or cause to have produced  
20 promotional literature related to explanation and fulfillment  
21 of the authority's goals;

22                  (7) identify science and technology trends  
23 that are significant to bioscience enterprises and act as a  
24 clearinghouse for bioscience enterprise issues and information;

25                  (8) coordinate and expedite the involvement of

1 the state executive branch's bioscience-related development  
2 efforts;

3 (9) perform or cause to be performed  
4 environmental, transportation, communication, land use and  
5 other technical studies necessary or advisable for bioscience  
6 projects or programs; and

7 (10) actively recruit industries and establish  
8 programs that will result in the location and relocation of new  
9 bioscience industries in the state.

10 B. The authority may:

11 (1) solicit and accept federal, state, local  
12 and private grants of funds, property or financial or other aid  
13 in any form for the purpose of carrying out the provisions of  
14 the Bioscience Authority Act; and

15 (2) act as an applicant for bioscience  
16 facilities and assist in carrying out all tasks and functions  
17 for the acquisition or construction of bioscience facilities,  
18 including filing all necessary documents and follow-up of such  
19 filings with appropriate agencies.

20 C. In exercising its authority, the authority shall  
21 not incur debt as a general obligation of the state or pledge  
22 the full faith and credit of the state to repay debt.

23 SECTION 5. [NEW MATERIAL] AUTHORITY STAFF--CONTRACTS.--

24 A. To the extent that funding is available, the  
25 authority shall hire an executive director who shall employ the

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1 necessary professional, technical and clerical staff to enable  
2 the authority to function efficiently.

3 B. The executive director of the authority shall  
4 direct the affairs and business of the authority, subject to  
5 the policies, control and direction of the board of directors.

6 C. The authority may contract with any other  
7 competent private or public organization or individual to  
8 assist in the fulfillment of its duties.

9 SECTION 6. [NEW MATERIAL] FUND CREATED.--

10 A. The "bioscience development fund" is created in  
11 the state treasury. Separate accounts within the fund may be  
12 created for any project. Money in the fund, subject to  
13 appropriation by the legislature, may be expended by the  
14 authority for the purposes of carrying out the provisions of  
15 the Bioscience Development Act. Money in the fund shall not  
16 revert at the end of a fiscal year.

17 B. Except as provided in this section, money  
18 received by the authority shall be deposited in the fund,  
19 including:

- 20 (1) money appropriated by the legislature;  
21 (2) interest earned upon money in the fund;  
22 (3) property or securities acquired through  
23 the use of money belonging to the fund;  
24 (4) all earnings of property or securities  
25 acquired pursuant to Paragraph (3) of this subsection;

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1 (5) all of the money received by the authority  
2 from a public or private source; and

3 (6) fees, rents or other charges imposed and  
4 collected by the authority.

5 C. Disbursements from the bioscience development  
6 fund shall be made only upon warrant drawn by the secretary of  
7 finance and administration pursuant to vouchers signed by the  
8 executive director of the authority or the executive director's  
9 designee pursuant to the Bioscience Development Act; provided  
10 that in the event the position of executive director is vacant,  
11 vouchers may be signed by the chair of the authority.

12 SECTION 7. [NEW MATERIAL] CONFIDENTIAL INFORMATION.--  
13 Information obtained by the authority regarding technological  
14 innovations with federal patents pending shall be confidential  
15 and not subject to inspection pursuant to the Inspection of  
16 Public Records Act.

17 SECTION 8. [NEW MATERIAL] REPORT TO THE GOVERNOR AND THE  
18 LEGISLATURE.--The authority shall submit a report of its  
19 activities to the governor and to the appropriate interim  
20 committees of the legislature not later than October 1 of each  
21 year.

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