

1 HOUSE BILL 289

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO ECONOMIC DEVELOPMENT; EXPANDING THE STATEWIDE
12 ECONOMIC DEVELOPMENT FINANCE ACT TO INCLUDE AGRICULTURAL
13 ENTERPRISES.
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15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

16 SECTION 1. Section 6-25-3 NMSA 1978 (being Laws 2003,
17 Chapter 349, Section 3, as amended) is amended to read:

18 "6-25-3. DEFINITIONS.--As used in the Statewide Economic
19 Development Finance Act:

20 A. "authority" means the New Mexico finance
21 authority;

22 B. "department" means the economic development
23 department;

24 C. "community development entity" means an entity
25 designed to take advantage of the federal new markets tax

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1 credit program;

2 D. "economic development assistance provisions"
3 means the economic development assistance provisions of
4 Subsection D of Article 9, Section 14 of the constitution of
5 New Mexico;

6 E. "project revenue bonds" means bonds, notes or
7 other instruments authorized in Section 6-25-7 NMSA 1978 and
8 issued by the authority pursuant to the Statewide Economic
9 Development Finance Act on behalf of eligible entities;

10 F. "economic development goal" means:

11 (1) assistance to rural and underserved areas
12 designed to increase business activity, including agricultural
13 enterprises;

14 (2) retention and expansion of existing
15 business, including agricultural enterprises;

16 (3) attraction of new business, including
17 agricultural enterprises; or

18 (4) creation and promotion of an environment
19 suitable for the support of start-up and emerging business,
20 including agricultural enterprises within the state;

21 G. "economic development revolving fund bonds"
22 means bonds, notes or other instruments payable from the fund
23 and issued by the authority pursuant to the Statewide Economic
24 Development Finance Act;

25 H. "eligible entity" means a for-profit or not-for-

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1 profit business, including an agricultural enterprise, and
2 including a corporation, limited liability company, partnership
3 or other entity, determined by the department to be engaged in
4 an enterprise that serves an economic development goal and is
5 suitable for financing assistance;

6 I. "federal new markets tax credit program" means
7 the tax credit program codified as Section 45D of the Internal
8 Revenue Code of 1986, as that section may be amended or
9 renumbered, and regulations issued pursuant to that section;

10 J. "financing assistance" means project revenue
11 bonds, loans, loan participations or loan guarantees provided
12 by the authority to or for eligible entities pursuant to the
13 Statewide Economic Development Finance Act;

14 K. "fund" means the economic development revolving
15 fund;

16 L. "mortgage" means a mortgage, deed of trust or
17 pledge of any assets as a collateral security;

18 M. "opt-in agreement" means an agreement entered
19 into between the department and a qualifying county, a school
20 district and, if applicable, a qualifying municipality that
21 provides for county, school district and, if applicable,
22 municipal approval of a project, subject to compliance with all
23 local zoning, permitting and other land use rules, and for
24 payments in lieu of taxes to the qualifying county, school
25 district and, if applicable, qualifying municipality as

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1 provided by the Statewide Economic Development Finance Act;

2 N. "payment in lieu of taxes" means the total
3 annual payment, including any state in-lieu payment, paid as
4 compensation for the tax impact of a project, in an amount
5 negotiated and determined in the opt-in agreement between the
6 department and the qualifying county, the school district and,
7 if applicable, the qualifying municipality, which payment shall
8 be distributed to the county, municipality and school district
9 in the same proportion as property tax revenues are normally
10 distributed to those recipients;

11 O. "standard project" means land, buildings,
12 improvements, machinery and equipment, operating capital and
13 other personal property for which financing assistance is
14 provided for adequate consideration, taking into account the
15 anticipated quantifiable benefits of the standard project, for
16 use by an eligible entity as:

- 17 (1) industrial or manufacturing facilities;
- 18 (2) commercial facilities, including
19 facilities for wholesale sales and services;
- 20 (3) health care facilities, including
21 hospitals, clinics, laboratory facilities and related office
22 facilities;
- 23 (4) educational facilities, including schools;
- 24 (5) arts, entertainment or cultural
25 facilities, including museums, theaters, arenas or assembly

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1 halls; ~~and~~

2 (6) recreational and tourism facilities,
3 including parks, pools, trails, open space and equestrian
4 facilities; and

5 (7) agricultural enterprises, including new or
6 ongoing agricultural projects and projects that add value to
7 New Mexico agricultural products;

8 P. "project" means a standard project or a state
9 project;

10 Q. "qualifying municipality or county" means a
11 municipality or county that enters into an opt-in agreement;

12 R. "quantifiable benefits" means a project's
13 advancement of an economic development goal as measured by a
14 variety of factors, including:

15 (1) the benefits an eligible entity contracts
16 to provide, such as local hiring quotas, job training
17 commitments and installation of public facilities or
18 infrastructure; and

19 (2) other benefits such as the total number of
20 direct and indirect jobs created by the project, total amount
21 of annual salaries to be paid as a result of the project, total
22 gross receipts and occupancy tax collections, total property
23 tax collections, total state corporate and personal income tax
24 collections and other fee and revenue collections resulting
25 from the project;

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