

HOUSE BILL 356

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

INTRODUCED BY

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AN ACT

RELATING TO ECONOMIC DEVELOPMENT; EXPANDING THE PURPOSE OF THE  
LOCAL ECONOMIC DEVELOPMENT ACT TO INCLUDE THE PROMOTION OF  
LOCAL BUSINESSES; REQUIRING THE ECONOMIC DEVELOPMENT DEPARTMENT  
TO USE A PORTION OF THE MONEY APPROPRIATED FOR IMPLEMENTING  
THAT ACT FOR RESIDENT BUSINESS PROJECTS.

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

**SECTION 1.** Section 5-10-2 NMSA 1978 (being Laws 1993,  
Chapter 297, Section 2, as amended) to read:

"5-10-2. FINDINGS AND PURPOSE OF ACT.--

A. The legislature finds that:

(1) development of the New Mexico economy is  
vital to the well-being of the state and its residents;

(2) it is difficult for municipalities and

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1 counties in New Mexico to promote local businesses and to  
2 attract and retain businesses capable of enhancing the local  
3 and state economy without the resources necessary to compete  
4 with other states and locales;

5 (3) municipalities and counties may need to be  
6 able to provide land, buildings and infrastructure as a tool  
7 for basic business growth and the introduction of basic  
8 business ventures into the state;

9 (4) it is in the best interest of the state,  
10 municipalities and counties to encourage local or regional  
11 solutions to economic development, including the promotion of  
12 local businesses; and

13 (5) the access to public resources needs to be  
14 carefully controlled and managed for the continued and future  
15 benefit of New Mexico citizens.

16 B. The purpose of the Local Economic Development  
17 Act is to implement the provisions of the 1994 constitutional  
18 amendment to Article 9, Section 14 of the constitution of  
19 New Mexico to allow public support of economic development to  
20 foster, promote and enhance local economic development efforts  
21 while continuing to protect against the unauthorized use of  
22 public money and other public resources. Further, the purpose  
23 of that act is to allow municipalities and counties to enter  
24 into joint powers agreements to plan and support regional  
25 economic development projects, including investments in arts

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1 and cultural districts created pursuant to the Arts and  
2 Cultural District Act."

3 SECTION 2. TEMPORARY PROVISION.--In fiscal year 2018, the  
4 economic development department shall expend at least two  
5 million dollars (\$2,000,000) of money appropriated to the  
6 department in prior fiscal years and appropriated for the  
7 purpose of implementing the Local Economic Development Act for  
8 projects that support resident businesses. As used in this  
9 section, "resident business" means a business that has a valid  
10 resident business certificate issued by the taxation and  
11 revenue department in accordance with Section 13-1-22 NMSA  
12 1978.