

1 HOUSE BILL 445

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; PROVIDING THAT A COMPANY MAY
12 BENEFIT FROM DEVELOPMENT TRAINING PROGRAM FUNDING IF IT DOES OR
13 WILL FILE A NEW MEXICO TAX RETURN AND PAY TAX OWED TO THE
14 STATE.

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

17 SECTION 1. Section 21-19-7 NMSA 1978 (being Laws 1983,
18 Chapter 299, Section 1, as amended) is amended to read:

19 "21-19-7. DEVELOPMENT TRAINING.--

20 A. The economic development department shall
21 establish a development training program that provides
22 quick-response classroom training, in-plant training and skill-
23 enhancement training to furnish qualified ~~manpower~~ workforce
24 resources for new or expanding industries, nonretail service
25 sector businesses and film and multimedia production companies

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1 in New Mexico that have business or production procedures that
2 require skills unique to those industries. Training shall be
3 custom designed for, and based on the special requirements of,
4 each company or preemployment training program for the film and
5 multimedia industry. The program shall be operated on a
6 statewide basis and shall be designed to assist any area in
7 becoming more competitive economically.

8 B. Except as provided in Section 21-19-7.1 NMSA
9 1978, money appropriated for the purpose of implementing this
10 section may be expended for the benefit of a company located
11 outside New Mexico if the company files a New Mexico tax return
12 and pays any tax owed to the state or if the company, as a
13 result of hiring workers trained in accordance with this
14 section, will file a New Mexico tax return and pay any tax owed
15 to the state.

16 [~~B.~~] C. There is created the "industrial training
17 board" composed of:

18 (1) the director of the economic development
19 division of the economic development department;

20 (2) the director of the instructional support
21 and vocational education division of the public education
22 department;

23 (3) the director of the governor's office of
24 workforce training and development;

25 (4) the executive director of the commission

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1 on higher education;

2 (5) an employee of the workforce solutions
3 department [~~of labor~~];

4 (6) one member from organized labor appointed
5 by the governor; and

6 (7) one public member from the business
7 community appointed by the governor.

8 [~~G.~~] D. The industrial training board shall
9 establish policies and promulgate rules for the administration
10 of appropriated funds and shall provide review and oversight to
11 assure that funds expended from the development training fund
12 will generate business activity and give measurable growth to
13 the economic base of New Mexico within the legal limits while
14 preserving the ecological state of New Mexico and its people.

15 [~~D.~~] E. Subject to the approval of the industrial
16 training board, the economic development division of the
17 economic development department shall:

18 (1) administer all funds allocated or
19 appropriated for industrial development training purposes;

20 (2) provide designated training services;

21 (3) regulate, control and abandon any training
22 program established under the provisions of this section;

23 (4) assist companies requesting training in
24 the development of a training proposal to meet the companies'

25 [~~manpower~~] workforce needs;

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1 (5) contract for the implementation of all
2 training programs;

3 (6) provide for training by educational
4 institutions or by a company through in-plant training, at that
5 company's request; and

6 (7) evaluate training efforts on a basis of
7 performance standards set forth by the industrial training
8 board.

9 [~~E-~~] F. The instructional support and vocational
10 education division of the public education department shall
11 provide technical assistance to the economic development
12 department concerning the development of agreements, the
13 determination of the most appropriate instructional training to
14 be provided and the review of training program implementation.

15 [~~F-~~] G. Except as provided in Section 21-19-7.1
16 NMSA 1978 for film and multimedia production companies and
17 preemployment training programs for that industry, the state
18 shall contract with a company or an educational institution to
19 provide training or instructional services in accordance with
20 the approved training proposal and within the following
21 limitations:

22 (1) payment shall not be made for training in
23 excess of one thousand forty hours of training per trainee for
24 the total duration of training;

25 (2) training applicants shall have resided

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1 within the state for a minimum of one year at any time prior to
2 the commencement of the training program and be of legal status
3 for employment;

4 (3) payment for institutional classroom
5 training shall be made pursuant to any accepted training
6 contract for a qualified training program;

7 (4) payment shall not be made pursuant to any
8 accepted training contract for rental of facilities unless
9 facilities are not available on site or at the educational
10 institution;

11 (5) all applicants shall be eligible under the
12 federal Fair Labor Standards Act of 1938, as amended, and shall
13 not have terminated a public school program within the past
14 three months except by graduation;

15 (6) trainees shall be guaranteed full-time
16 employment with the contracted company upon successful
17 completion of the training;

18 (7) persons employed to provide the
19 instructional services shall be exempt from the minimum
20 requirements established in the state plan for other state
21 vocational programs;

22 (8) payment shall not be made for training
23 programs or production of Indian jewelry or imitation Indian
24 jewelry unless a majority of those involved in the training
25 program or production are of Indian descent; and

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1 (9) if a company hires twenty or more
2 trainees, payment shall not be made for training in a
3 municipality having a population of more than forty thousand
4 according to the most recent decennial census or a class A
5 county unless the company:
6 (a) offers its employees and their
7 dependents health insurance coverage that is in compliance with
8 the New Mexico Insurance Code; and
9 (b) contributes not less than fifty
10 percent of the premium for the health insurance for those
11 employees who choose to enroll; provided that the fifty percent
12 employer contribution shall not be a requirement for the
13 dependent coverage that is offered."