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SENATE BILL 478

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

INTRODUCED BY

George K. Munoz

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; ENACTING THE BIOSCIENCE DEVELOPMENT ACT; CREATING THE BIOSCIENCE AUTHORITY FUND; MAKING AN APPROPRIATION.

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] PURPOSE OF ACT.--The purpose of the Bioscience Development Act is to:

A. encourage and foster economic development in the state and its cities and counties by attracting and encouraging the growth of bioscience industries and facilities in New Mexico;

B. proactively engage with industry, chambers of commerce and economic development associations to ensure that

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1 New Mexico develops a turnkey and effective means of attracting  
2 bioscience companies and allowing new bioscience companies to  
3 start up, including an effort to reduce unnecessary regulatory  
4 and permitting challenges;

5 C. actively promote and assist public and private  
6 sector infrastructure development to attract new bioscience  
7 industries and businesses, thereby creating new job  
8 opportunities in the state;

9 D. engage the state's institutions of higher  
10 education and national research laboratories to promote and  
11 assist in the development of New Mexico's life science  
12 workforce and to promote bioscience discovery;

13 E. work with state agencies to identify effective  
14 incentives targeted to increase bioscience presence in New  
15 Mexico; and

16 F. promote educational involvement in bioscience  
17 activities and education and training of the workforce to  
18 develop the skills needed for bioscience industries.

19 SECTION 3. [NEW MATERIAL] DEFINITIONS.--As used in the  
20 Bioscience Development Act:

21 A. "authority" means the bioscience authority;

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

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

6 bioscience;

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

11 D. "national laboratories" means Los Alamos  
12 national laboratory and Sandia national laboratories; and

13 E. "research institutions" means the university of  
14 New Mexico, New Mexico state university and the New Mexico  
15 institute of mining and technology.

16 SECTION 4. [NEW MATERIAL] BIOSCIENCE AUTHORITY CREATED--  
17 BOARD OF DIRECTORS--MEMBERSHIP.--

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

24 B. The board of directors of the authority shall  
25 consist of fifteen voting members as follows:

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

3 (2) the vice president for research of the  
4 university of New Mexico;

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

7 (4) the vice president for research of New  
8 Mexico state university;

9 (5) the vice president for research and  
10 economic development of the New Mexico institute of mining and  
11 technology; and

12 (6) nine members of the public who have  
13 experience working in bioscience, appointed as follows:

14 (a) three members appointed by the  
15 governor with the consent of the senate;

16 (b) three members appointed by the  
17 president pro tempore of the senate with the consent of the  
18 senate; and

19 (c) three members appointed by the  
20 speaker of the house of representatives with the consent of the  
21 senate.

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

24 D. The public members appointed pursuant to  
25 Paragraph (6) of Subsection B of this section by the governor,

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1 the president pro tempore of the senate and the speaker of the  
2 house of representatives shall be residents of the state and  
3 shall serve for terms of three years, except for the initial  
4 appointees, who shall be appointed so that the terms are  
5 staggered after initial appointment. Initial appointees by  
6 governor, the president pro tempore of the senate and the  
7 speaker of the house shall serve terms as follows: one member  
8 for one year; one member for two years; and one member for  
9 three years.

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

18 F. The secretary of economic development or the  
19 secretary's designee shall serve as the chair of the board of  
20 directors. Members of the board of directors shall elect any  
21 other officers from the membership that the board determines to  
22 be appropriate.

23 G. The chair and four voting members of the board  
24 of directors appointed by the chair, two of whom shall be  
25 public members, shall constitute the "bioscience authority

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1 executive committee". The executive director of the bioscience  
2 authority board of directors shall be a nonvoting member of the  
3 executive committee. The executive committee shall have powers  
4 and duties as delegated to it by the board of directors.

5 H. If a vacancy occurs among the appointed voting  
6 members of the board of directors, the appointing authority of  
7 the former member shall appoint a replacement to serve out the  
8 term of that member. If an appointed member's term expires,  
9 the member shall continue to serve until the member is  
10 reappointed or until another person is appointed and confirmed  
11 by the senate to replace the member.

12 I. The board of directors shall meet at the call of  
13 the chair and shall meet in regular session at least once every  
14 three months.

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

20 SECTION 5. [NEW MATERIAL] AUTHORITY POWERS AND DUTIES.--

21 A. The authority shall:

22 (1) advise the governor, the economic  
23 development department, the legislature and the New Mexico  
24 finance authority oversight committee on methods, proposals,  
25 programs and initiatives that may stimulate investment in

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1 bioscience industries and provide additional employment  
2 opportunities for New Mexico residents;

3 (2) make and execute all contracts and other  
4 instruments necessary or convenient to the exercise of its  
5 powers and duties;

6 (3) create programs to expand bioscience  
7 economic opportunities within New Mexico, including potential  
8 means of providing financial assistance and incentives for  
9 bioscience industries and facilities;

10 (4) create avenues of communication between  
11 New Mexico and representatives of bioscience industries;

12 (5) promote legislation that will further the  
13 goals of the authority and development of bioscience industries  
14 and facilities;

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

18 (7) identify science and technology trends  
19 that are significant to bioscience enterprises and act as a  
20 clearinghouse for bioscience enterprise issues and information;

21 (8) coordinate and expedite the involvement of  
22 the state executive branch's bioscience-related development  
23 efforts;

24 (9) perform or cause to be performed  
25 environmental, transportation, communication, land use and

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1 other technical studies necessary or advisable for bioscience  
2 projects or programs; and

3 (10) actively recruit industries and establish  
4 programs that will result in the location and relocation of new  
5 bioscience industries in the state.

6 B. The authority may:

7 (1) advise and cooperate with municipalities,  
8 counties, state agencies and organizations, appropriate federal  
9 agencies and organizations and other interested persons and  
10 groups;

11 (2) 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;

15 (3) adopt rules governing the manner in which  
16 its business is transacted and the manner in which the powers  
17 of the authority are exercised and its duties performed;

18 (4) act as an applicant for bioscience  
19 facilities and assist in carrying out all tasks and functions  
20 for the acquisition or construction of bioscience facilities,  
21 including filing all necessary documents and follow-up of such  
22 filings with appropriate agencies;

23 (5) contract with any competent private or  
24 public organization or individual to assist in the fulfillment  
25 of its duties;

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1 (6) enter into agreements with the federal  
2 government for the operation, improvement and expansion of  
3 bioscience facilities; and

4 (7) enter into joint ventures, partnerships or  
5 other business relationships with qualified entities and  
6 private persons for the joint funding and operation of  
7 bioscience projects.

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

11 SECTION 6. [NEW MATERIAL] AUTHORITY STAFF--CONTRACTS.--

12 A. To the extent that funding is available, the  
13 authority shall hire an executive director who shall employ the  
14 necessary professional, technical and clerical staff to enable  
15 the authority to function efficiently.

16 B. The executive director of the authority shall  
17 direct the affairs and business of the authority, subject to  
18 the policies, control and direction of the board of directors.

19 C. The authority may contract with any other  
20 competent private or public organization or individual to  
21 assist in the fulfillment of its duties.

22 SECTION 7. [NEW MATERIAL] FUND CREATED.--

23 A. The "bioscience development fund" is created in  
24 the state treasury. Separate accounts within the fund may be  
25 created for any project. Money in the fund is appropriated to

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1 the authority for the purposes of carrying out the provisions  
2 of the Bioscience Development Act. Money in the fund shall not  
3 revert at the end of a fiscal year.

4 B. Except as provided in this section, money  
5 received by the authority shall be deposited in the fund,  
6 including:

- 7 (1) money appropriated by the legislature;  
8 (2) interest earned upon money in the fund;  
9 (3) property or securities acquired through  
10 the use of money belonging to the fund;  
11 (4) all earnings of property or securities  
12 acquired pursuant to Paragraph (3) of this subsection;  
13 (5) all of the money received by the authority  
14 from a public or private source; and  
15 (6) fees, rents or other charges imposed and  
16 collected by the authority.

17 C. Disbursements from the bioscience development  
18 fund shall be made only upon warrant drawn by the secretary of  
19 finance and administration pursuant to vouchers signed by the  
20 executive director of the authority or the executive director's  
21 designee pursuant to the Bioscience Development Act; provided  
22 that in the event the position of executive director is vacant,  
23 vouchers may be signed by the chair of the authority.

24 SECTION 8. [NEW MATERIAL] PROPRIETARY INFORMATION.--  
25 Information obtained by the authority that is proprietary,

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1 technical or business information shall be confidential and not  
2 subject to inspection pursuant to the Inspection of Public  
3 Records Act.

4 SECTION 9. [NEW MATERIAL] REPORT TO THE LEGISLATURE.--The  
5 authority shall submit a report of its activities to the  
6 governor and to the appropriate interim committees of the  
7 legislature not later than October 1 of each year.

8 SECTION 10. APPROPRIATION.--Five hundred thousand dollars  
9 (\$500,000) to match private donations to the bioscience  
10 development fund is appropriated from the general fund to the  
11 economic development department for expenditure in fiscal year  
12 2018 and subsequent fiscal years for the purpose of  
13 implementing the Bioscience Development Act. Any unexpended or  
14 unencumbered balance remaining at the end of a fiscal year  
15 shall not revert to the general fund.