

SENATE TAX, BUSINESS AND TRANSPORTATION
COMMITTEE SUBSTITUTE FOR
SENATE BILL 169

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; ENACTING THE STRATEGIC
ECONOMIC DEVELOPMENT SITE READINESS ACT SFC→; ~~MAKING AN~~
~~APPROPRIATION~~←SFC .

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 "Strategic Economic Development Site Readiness

.230567.1AIC March 1, 2025 (9:35am)

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Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the Strategic Economic Development Site Readiness Act:

- A. "department" means the economic development department;
- B. "private partner" means an individual, a foreign or domestic corporation, a general partnership, a limited liability company, a limited partnership, a joint venture, a business trust, a public benefit corporation, a nonprofit entity or other private business entity or a combination thereof;
- C. "public partner" means the state and the state's branches, agencies, departments, boards, instrumentalities or institutions and all political subdivisions of the state and their agencies, instrumentalities and institutions, including a department, an institution of higher education, a board or a commission; and
- D. "secretary" means the secretary of economic development.

SECTION 3. [NEW MATERIAL] SITE CHARACTERIZATION STUDIES.--

- A. The department may enter into contracts with public partners and private partners for site characterization studies of proposed economic development sites to determine the suitability of such sites for certification as a strategic

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economic development site.

B. The secretary shall accept for consideration proposals for site characterization studies of proposed economic development sites and shall decide if a proposed economic development site will be the subject of a site characterization study pursuant to Subsection A of this section.

C. A site characterization study shall assess the suitability of a proposed economic development site for development by a public partner or private partner and may consider the following characteristics:

(1) the availability of public infrastructure, including transportation access, water and wastewater;

(2) the availability of public utilities, including electricity, natural gas and broadband access;

(3) environmental limitations;

(4) size, configuration, topography, soils and drainage;

(5) workforce availability;

(6) housing availability;

(7) governmental land use restrictions;

(8) site ownership;

(9) neighboring land uses; and

(10) any other site characteristics that may affect the degree to which the site is ready for immediate

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economic development.

**SECTION 4. [NEW MATERIAL] STRATEGIC ECONOMIC DEVELOPMENT
SITE ADVISORY COMMITTEE--CREATED--MEMBERSHIP.--**

A. The "strategic economic development site advisory committee" is created. The department shall provide necessary administrative services to the committee.

B. The strategic economic development site advisory committee is composed of:

- (1) the secretary of energy, minerals and natural resources or the secretary's designee;
- (2) the secretary of environment or the secretary's designee;
- (3) a representative of the public regulation commission appointed by the commission;
- (4) the secretary of transportation or the secretary's designee;
- (5) the chief executive officer of the New Mexico finance authority or the chief executive officer's designee;
- (6) the director of the economic development division of the department; and
- (7) five public members appointed by the New Mexico legislative council who shall have experience in law, architecture, planning, utilities, transportation or economic development.

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C. The public members appointed initially shall draw lots for staggered terms in such a way that two members shall serve for six years, two members shall serve for four years and one member shall serve for two years. Thereafter, the public members shall serve for six-year terms. A vacancy in a term of a public member of the strategic economic development site advisory committee shall be filled by the New Mexico legislative council for the remainder of the original term.

D. The members shall select a chair, who shall be a public member and who shall serve a term of two years.

E. Members who are not public employees are entitled to per diem and mileage as provided in the Per Diem and Mileage Act but shall receive no other compensation, perquisite or allowance.

F. A member of the strategic economic development site advisory committee shall not participate in or influence a decision by the committee in which that member has a conflict of interest, pecuniary interest or other disqualifying interest regarding a proposed strategic economic development site. All members of the committee shall certify annually and in writing compliance with this subsection.

SECTION 5. [NEW MATERIAL] STRATEGIC ECONOMIC DEVELOPMENT SITE ADVISORY COMMITTEE--DUTIES.--The strategic economic development site advisory committee has the following duties:

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A. meet quarterly and at such other times as deemed necessary by the chair;

B. review and recommend the designation of proposed strategic economic development sites;

C. recommend approval or disapproval of applications for grants and loans from the site readiness fund, the public project revolving fund and other potential funding sources;

D. recommend the promulgation of rules establishing the application process and criteria for the approval of strategic economic development sites in accordance with the provisions of the State Rules Act; and

E. consult with state agencies and county and local governments on technical issues relevant to the committee's consideration of proposed strategic economic development sites and applications for grants and loans from the site readiness fund.

SECTION 6. [NEW MATERIAL] STRATEGIC ECONOMIC DEVELOPMENT SITES--DESIGNATION--IMPLEMENTATION.--

A. The secretary shall review site characterization studies conducted pursuant to Section 3 of the Strategic Economic Development Site Readiness Act and shall determine, after consideration of the recommendations of the strategic economic development site advisory committee:

- (1) whether there needs to be further study of

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the characteristics of proposed economic development sites; or

(2) whether the proposed economic development site should be designated as a strategic economic development site.

B. Upon designation as a strategic economic development site, the secretary may solicit proposals from public partners and private partners for site pre-development projects that will enhance the readiness of the strategic economic development site. Site pre-development projects may include:

- (1) surveying, engineering, planning and architectural work required in advance of construction on site development and building construction;
- (2) environmental assessments and remediation;
- (3) public infrastructure improvements necessary prior to the start of site development and building construction, including roads and utilities;
- (4) site preparation, including landscaping and drainage improvements; and
- (5) governmental permitting.

C. The secretary shall review proposals from public partners and private partners for site pre-development projects and shall determine, after consideration of the recommendations of the strategic economic development site advisory committee, which proposed site pre-development projects could be funded in

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whole or in part by grants and loans from the site readiness fund or should be recommended for funding from the public project revolving fund or other funding resources.

SECTION 7. [NEW MATERIAL] SITE READINESS FUND--CREATED.--

A. The "site readiness fund" is created in the state treasury. The fund consists of appropriations, gifts, grants, donations, income from investment of the fund, payments of principal and interest on loans made from the fund and any other money distributed or otherwise allocated to the fund. Income from the fund shall be credited to the fund. Money in the fund shall not revert or be transferred to any other fund at the end of a fiscal year.

B. The department shall administer the site readiness fund. Money in the fund is appropriated to the department for the purposes of carrying out the provisions of the Strategic Economic Development Site Readiness Act, including site characteristic studies of proposed economic development sites and site preparations of strategic economic development sites. Disbursements from the fund shall be made by warrant of the secretary of finance and administration pursuant to vouchers signed by the secretary of economic development or the secretary's authorized representative.

C. Money in the site readiness fund may be used to provide grants and loans for financing site pre-development projects.

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D. Money in the site readiness fund may be used for administrative and reimbursable costs incurred by the department, subject to the legislative appropriation process.

SECTION 8. [NEW MATERIAL] REPORT.--By October 1, 2026, and by October 1 of each year thereafter, the secretary shall provide a report to the governor, the legislative finance committee and the appropriate interim legislative committees regarding:

A. the number and location of proposed economic development sites that have been approved for site characterization studies;

B. the number and location of strategic economic development sites that have been approved by the secretary;

C. the number and location of site pre-development projects that have been approved by the secretary, including those that have been approved for funding, in whole or in part, through grants and loans from the site readiness fund, the public project revolving fund or other funding resources;

D. the status of the site readiness fund; and

E. recommended changes to the Strategic Economic Development Site Readiness Act.

~~SFC → SECTION 9. APPROPRIATION.--Twenty-four million dollars (\$24,000,000) is appropriated from the general fund to the site readiness fund for expenditure in fiscal year 2026 and subsequent fiscal years for the implementation of the Strategic~~

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~~Economic Development Site Readiness Act. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.~~ ←SFC

SECTION SFC →10. ←SFC SFC →9. ←SFC EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2025.

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