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HOUSE BILL 361

**46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004**

INTRODUCED BY

Jose A. Campos

FOR THE ECONOMIC AND RURAL DEVELOPMENT AND  
TELECOMMUNICATIONS COMMITTEE

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; PROVIDING FOR MILITARY BASE  
RETENTION AND RELATED ECONOMIC ENHANCEMENT; PROVIDING A  
COMPENSATING TAX DEDUCTION FOR TEST ARTICLES USED IN RESEARCH  
OR TESTING; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.

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

Section 1. Section 9-15-48 NMSA 1978 (being Laws 2003,  
Chapter 166, Section 1 and Laws 2003, Chapter 170, Section 1)  
is amended to read:

"9-15-48. OFFICE OF MILITARY BASE PLANNING AND SUPPORT  
CREATED--DUTIES.--

A. The "office of military base planning and  
support" is created, which is administratively attached to the  
economic development department. The department shall provide  
administrative services to the office.

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1           B. The [~~secretary of economic development~~]  
2 governor's homeland security adviser shall appoint a director  
3 of the office of military base planning and support.

4           C. The director of the office of military base  
5 planning and support shall:

6                   (1) employ, under the authorization of the  
7 [~~secretary of economic development~~] governor's homeland  
8 security adviser, the staff necessary to carry out the work of  
9 the office of military base planning and support and the  
10 military base planning commission;

11                           (2) support the commission;

12                           (3) inform the governor and the [~~secretary of~~  
13 ~~economic development~~] governor's homeland security adviser  
14 about issues impacting the military bases in the state,  
15 including infrastructure requirements, environmental needs,  
16 military force structure possibilities, tax implications,  
17 property considerations and issues requiring coordination and  
18 support from other state agencies;

19                           (4) serve as a liaison with the community  
20 organizations whose purpose is to support the long-term  
21 viability of the military bases;

22                           (5) communicate with the staff of the state's  
23 congressional delegation; and

24                           (6) identify issues, prepare information and  
25 provide for presentations necessary for the commission to carry

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1 out its duties."

2 Section 2. Section 9-15-49 NMSA 1978 (being Laws 2003,  
3 Chapter 166, Section 2 and Laws 2003, Chapter 170, Section 2)  
4 is amended to read:

5 "9-15-49. MILITARY BASE PLANNING COMMISSION CREATED--  
6 COMPOSITION.--

7 A. The "military base planning commission" is  
8 created, which is administratively attached to the economic  
9 development department. The department shall provide  
10 administrative services to the commission.

11 B. The [~~military base planning~~] commission consists  
12 of fifteen members, thirteen of which are appointed by the  
13 governor with the advice and consent of the senate. The  
14 commission shall include the lieutenant governor, the  
15 [~~secretary of economic development~~] governor's homeland  
16 security adviser and appropriate representatives from the  
17 counties, or adjoining counties, in which military bases are  
18 located.

19 C. The governor shall appoint a chair from among  
20 the members of the commission. The commission shall meet at  
21 the call of the chair and shall meet not less than quarterly.  
22 Members of the commission shall not be paid but shall receive  
23 per diem and mileage expenses as provided in the Per Diem and  
24 Mileage Act.

25 D. Notwithstanding the provisions of the Open

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1 Meetings Act, meetings of the commission shall be closed to the  
2 public when proprietary alternative New Mexico military base  
3 realignment or closure strategies or any information regarding  
4 relocation of military units is discussed.

5 E. Information developed or obtained by the  
6 commission that pertains to proprietary commission strategies  
7 or related to the relocation of military units shall be  
8 confidential and not subject to inspection pursuant to the  
9 Inspection of Public Records Act."

10 Section 3. A new section of the Gross Receipts and  
11 Compensating Tax Act is enacted to read:

12 "[NEW MATERIAL] DEDUCTION--COMPENSATING TAX--TEST  
13 ARTICLES.--

14 A. The value of test articles upon which research  
15 or testing is conducted in New Mexico pursuant to a contract  
16 with the United States department of defense may be deducted in  
17 computing the compensating tax due.

18 B. As used in this section, "test article" means a  
19 material or device upon which research or testing is conducted  
20 to determine the properties and qualities of the material or  
21 the properties, qualities or functioning of the device or a  
22 technology used with the device.

23 C. The deduction provided by this section does not  
24 apply to the value of property purchased by a prime contractor  
25 operating a facility designated as a national laboratory by an

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1 act of congress."

2 Section 4. APPROPRIATION.--Four hundred thousand dollars  
3 (\$400,000) is appropriated from the general fund to the  
4 economic development department for expenditure in fiscal year  
5 2005 to study United States department of defense criteria for  
6 base realignment and closure and New Mexico's military  
7 installations and to develop recommendations for strengthening  
8 the state's ability to retain the military installations. Any  
9 unexpended or unencumbered balance remaining at the end of  
10 fiscal year 2005 shall revert to the general fund.

11 Section 5. EMERGENCY.--It is necessary for the public  
12 peace, health and safety that this act take effect immediately.