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SENATE BILL 264

**49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009**

INTRODUCED BY

Clinton D. Harden

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; INCREASING THE TYPES OF  
BUSINESSES THAT ARE QUALIFIED ENTITIES FOR THE PURPOSE OF THE  
LOCAL ECONOMIC DEVELOPMENT ACT; REMOVING THE PROHIBITION ON  
PUBLIC SUPPORT OF ECONOMIC DEVELOPMENT PROJECTS IN RURAL AREAS  
INVOLVING RETAIL SALES.

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

Section 1. Section 5-10-3 NMSA 1978 (being Laws 1993,  
Chapter 297, Section 3, as amended) is amended to read:

"5-10-3. DEFINITIONS.--As used in the Local Economic  
Development Act:

A. "arts and cultural district" means a developed  
district of public and private uses that is created pursuant to  
the Arts and Cultural District Act;

B. "cultural facility" means a facility that is

underscoring material = new  
[bracketed material] = delete

1 owned by the state, a county, a municipality or a qualifying  
2 entity that serves the public through preserving, educating and  
3 promoting the arts and culture of a particular locale,  
4 including theaters, museums, libraries, galleries, cultural  
5 compounds, educational organizations, performing arts venues  
6 and organizations, fine arts organizations, studios and media  
7 laboratories and live-work housing facilities;

8 C. "department" means the economic development  
9 department;

10 D. "economic development project" or "project"  
11 means the provision of direct or indirect assistance to a  
12 qualifying entity by a local or regional government and  
13 includes the purchase, lease, grant, construction,  
14 reconstruction, improvement or other acquisition or conveyance  
15 of land, buildings or other infrastructure; public works  
16 improvements essential to the location or expansion of a  
17 qualifying entity; payments for professional services contracts  
18 necessary for local or regional governments to implement a plan  
19 or project; the provision of direct loans or grants for land,  
20 buildings or infrastructure; technical assistance to cultural  
21 facilities; loan guarantees securing the cost of land,  
22 buildings or infrastructure in an amount not to exceed the  
23 revenue that may be derived from the municipal infrastructure  
24 gross receipts tax or the county infrastructure gross receipts  
25 tax; grants for public works infrastructure improvements

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1 essential to the location or expansion of a qualifying entity;  
2 grants or subsidies to cultural facilities; purchase of land  
3 for a publicly held industrial park or a publicly owned  
4 cultural facility; and the construction of a building for use  
5 by a qualifying entity;

6 E. "governing body" means the city council, city  
7 commission or board of trustees of a municipality or the board  
8 of county commissioners of a county;

9 F. "local government" means a municipality or  
10 county;

11 G. "municipality" means an incorporated city, town  
12 or village;

13 H. "person" means an individual, corporation,  
14 association, partnership or other legal entity;

15 I. "qualifying entity" means a corporation, limited  
16 liability company, partnership, joint venture, syndicate,  
17 association or other person that is one or a combination of two  
18 or more of the following:

19 (1) an industry for the manufacturing,  
20 processing or assembling of agricultural or manufactured  
21 products;

22 (2) a commercial enterprise for storing,  
23 warehousing, distributing or selling products of agriculture,  
24 mining or industry, but, other than as provided in Paragraph  
25 (5), ~~(6)~~ (6) or (9) of this subsection, not including any

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underscored material = new  
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1 enterprise for sale of goods or commodities at retail or for  
2 distribution to the public of electricity, gas, water or  
3 telephone or other services commonly classified as public  
4 utilities;

5 (3) a business in which all or part of the  
6 activities of the business involves the supplying of services  
7 to the general public or to governmental agencies or to a  
8 specific industry or customer, but, other than as provided in  
9 Paragraph (5) or (9) of this subsection, not including  
10 businesses primarily engaged in the sale of goods or  
11 commodities at retail;

12 (4) an Indian nation, tribe or pueblo or a  
13 federally chartered tribal corporation;

14 (5) a telecommunications sales enterprise that  
15 makes the majority of its sales to persons outside New Mexico;

16 (6) a facility for the direct sales by growers  
17 of agricultural products, commonly known as farmers' markets;

18 (7) a business that is the developer of a  
19 metropolitan redevelopment project; [~~and~~]

20 (8) a cultural facility; and

21 (9) a business located in a rural area that is  
22 primarily engaged in the sale of goods or commodities at  
23 retail. For the purpose of this paragraph, "rural" means an  
24 area or location identified by the department as falling  
25 outside of an urban area; and

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