

HOUSE BILL 347

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Stephanie Maez

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; CREATING THE LOCAL BUSINESS OPPORTUNITY FUND; PROVIDING A DEFINITION FOR "SMALL RESIDENT BUSINESS"; MAKING AN APPROPRIATION.

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

SECTION 1. A new section of the Local Economic Development Act is enacted to read:

"[NEW MATERIAL] LOCAL BUSINESS OPPORTUNITY FUND--CREATED--CERTIFICATION--RULES.--

A. The "local business opportunity fund" is created in the state treasury. The fund consists of appropriations, income from investment of the fund and money otherwise accruing to the fund. Money in the fund shall not revert to any other fund at the end of a fiscal year. The department shall administer the fund, and money in the fund is appropriated to

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1 the department for the economic development projects of
2 qualifying entities that are small resident businesses as
3 provided in the Local Economic Development Act. Money in the
4 fund shall be disbursed on warrants signed by the secretary of
5 finance and administration pursuant to vouchers signed by the
6 secretary of economic development or the secretary's authorized
7 representative.

8 B. A small resident business shall provide
9 information to the department as required by department rules
10 to certify the business's status as small resident business.
11 The department shall promulgate rules to implement the
12 provisions of this subsection."

13 SECTION 2. Section 5-10-1 NMSA 1978 (being Laws 1993,
14 Chapter 297, Section 1) is amended to read:

15 "5-10-1. SHORT TITLE.--~~[This act]~~ Chapter 5, Article 10
16 NMSA 1978 may be cited as the "Local Economic Development
17 Act"."

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

20 "5-10-3. DEFINITIONS.--As used in the Local Economic
21 Development Act:

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

25 B. "cultural facility" means a facility that is

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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) or (9) of this subsection, not including any

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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;

20 (8) a cultural facility; and

21 (9) a retail business;

22 J. "regional government" means any combination of
23 municipalities and counties that enter into a joint powers
24 agreement to provide for economic development projects pursuant
25 to a plan adopted by all parties to the joint powers agreement;

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1 ~~[and]~~

2 K. "retail business" means a business that is
3 primarily engaged in the sale of goods or commodities at retail
4 and that is located in a municipality with a population of ten
5 thousand or less; and

6 L. "small resident business" means a qualifying
7 entity:

8 (1) including its affiliates, that is
9 independently owned and operated and employs fifty or fewer
10 full-time employees; and

11 (2) that:

12 (a) has paid property taxes or rent on
13 real property in the state and has paid at least one other tax
14 administered by the state for the past three years;

15 (b) if the qualifying entity is a new
16 business, the owner or the majority of owners of which have
17 paid property taxes or rent on real property in the state and
18 have paid at least one other tax administered by the state for
19 the past three years; or

20 (c) if the qualifying entity is a
21 relocated business, at least eighty percent of the total
22 personnel of the business for the past three years were
23 residents of the state and the business either leased real
24 property for ten years or purchased real property greater than
25 one hundred thousand dollars (\$100,000) in value in the state."

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