

HOUSE FLOOR SUBSTITUTE FOR
HOUSE BILL 460

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

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; ENACTING THE BIOSCIENCE
DEVELOPMENT ACT; CREATING THE BIOSCIENCE DEVELOPMENT FUND.

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] DEFINITIONS.--As used in the
Bioscience Development Act:

A. "authority" means the bioscience authority;

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

(1) drugs and pharmaceuticals;

(2) medical devices and equipment;

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

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

9 D. "national laboratories" means Los Alamos
10 national laboratory and Sandia national laboratories;

11 E. "research institutions" means the university of
12 New Mexico, New Mexico state university and the New Mexico
13 institute of mining and technology; and

14 F. "technological innovations" means research,
15 development, prototype assembly, manufacture, patenting,
16 licensing, marketing and sale of inventions, ideas, practices,
17 applications, processes, machines, technology and related
18 property rights of all kinds.

19 SECTION 3. [NEW MATERIAL] BIOSCIENCE AUTHORITY CREATED--
20 BOARD OF DIRECTORS--MEMBERSHIP.--

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

1 department.

2 B. The board of directors of the authority shall
3 consist of sixteen voting members as follows:

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

6 (2) the vice president for research of the
7 university of New Mexico;

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

10 (4) the vice president for research of New
11 Mexico state university;

12 (5) the vice president for research and
13 economic development of the New Mexico institute of mining and
14 technology;

15 (6) the director of the New Mexico state
16 university institute of applied biosciences; and

17 (7) nine members of the public who have
18 experience working in bioscience, appointed as follows:

19 (a) three members appointed by the
20 governor with the consent of the senate;

21 (b) three members appointed by the
22 president pro tempore of the senate with the consent of the
23 senate; and

24 (c) three members appointed by the
25 speaker of the house of representatives with the consent of the

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1 senate.

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

4 D. The public members appointed pursuant to
5 Paragraph (7) of Subsection B of this section by the governor,
6 the president pro tempore of the senate and the speaker of the
7 house of representatives shall be residents of the state and
8 shall serve for terms of three years, except for the initial
9 appointees, who shall be appointed so that the terms are
10 staggered after initial appointment. Initial appointees by the
11 governor, the president pro tempore of the senate and the
12 speaker of the house shall be appointed by their appointing
13 authority to serve terms as follows: one member for one year;
14 one member for two years; and one member for three years.

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

24 F. The secretary of economic development or the
25 secretary's designee shall serve as the chair of the board of

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1 directors of the authority. Members of the board of directors
2 shall elect any other officers from the membership that the
3 board determines to be appropriate.

4 G. The chair and four voting members of the board
5 of directors of the authority appointed by the chair, two of
6 whom shall be public members, shall constitute the "bioscience
7 authority executive committee". The executive director of the
8 board of directors shall be a nonvoting member of the executive
9 committee. The executive committee shall have powers and
10 duties as delegated to it by the board of directors.

11 H. If a vacancy occurs among the appointed voting
12 members of the board of directors, the appointing authority of
13 the former member shall appoint a replacement to serve out the
14 term of that member. If an appointed member's term expires,
15 the member shall continue to serve until another person is
16 appointed.

17 I. The board of directors shall meet at the call of
18 the chair and shall meet at least once every three months.

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

24 SECTION 4. [NEW MATERIAL] AUTHORITY POWERS AND DUTIES.--

25 A. The authority shall:

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1 (1) advise the governor, the economic
2 development department, the legislature and the New Mexico
3 finance authority oversight committee on methods, proposals,
4 programs and initiatives that may stimulate investment in
5 bioscience industries and provide additional employment
6 opportunities for New Mexico residents;

7 (2) make and execute all contracts and other
8 instruments necessary or convenient to the exercise of its
9 powers and duties;

10 (3) create programs to expand bioscience
11 economic opportunities within New Mexico, including potential
12 means of providing financial assistance and incentives for
13 bioscience industries and facilities;

14 (4) create avenues of communication between
15 New Mexico and representatives of bioscience industries;

16 (5) promote legislation that will further the
17 goals of the authority and development of bioscience industries
18 and facilities;

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

22 (7) identify science and technology trends
23 that are significant to bioscience enterprises and act as a
24 clearinghouse for bioscience enterprise issues and information;

25 (8) coordinate and expedite the involvement of

1 the state executive branch's bioscience-related development
 2 efforts;

3 (9) perform or cause to be performed
 4 environmental, transportation, communication, land use and
 5 other technical studies necessary or advisable for bioscience
 6 projects or programs; and

7 (10) actively recruit industries and establish
 8 programs that will result in the location and relocation of new
 9 bioscience industries in the state.

10 B. The authority may:

11 (1) 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; and

15 (2) act as an applicant for bioscience
 16 facilities and assist in carrying out all tasks and functions
 17 for the acquisition or construction of bioscience facilities,
 18 including filing all necessary documents and follow-up of such
 19 filings with appropriate agencies.

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

23 SECTION 5. [NEW MATERIAL] AUTHORITY STAFF--CONTRACTS.--

24 A. To the extent that funding is available, the
 25 authority shall hire an executive director who shall employ the

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1 necessary professional, technical and clerical staff to enable
2 the authority to function efficiently.

3 B. The executive director of the authority shall
4 direct the affairs and business of the authority, subject to
5 the policies, control and direction of the board of directors.

6 C. The authority may contract with any other
7 competent private or public organization or individual to
8 assist in the fulfillment of its duties.

9 SECTION 6. [NEW MATERIAL] FUND CREATED.--

10 A. The "bioscience development fund" is created in
11 the state treasury. Separate accounts within the fund may be
12 created for any project. Money in the fund, subject to
13 appropriation by the legislature, may be expended by the
14 authority for the purposes of carrying out the provisions of
15 the Bioscience Development Act. Money in the fund shall not
16 revert at the end of a fiscal year.

17 B. Except as provided in this section, money
18 received by the authority shall be deposited in the fund,
19 including:

- 20 (1) money appropriated by the legislature;
21 (2) interest earned upon money in the fund;
22 (3) property or securities acquired through
23 the use of money belonging to the fund;
24 (4) all earnings of property or securities
25 acquired pursuant to Paragraph (3) of this subsection;

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1 (5) all of the money received by the authority
2 from a public or private source; and

3 (6) fees, rents or other charges imposed and
4 collected by the authority.

5 C. Disbursements from the bioscience development
6 fund shall be made only upon warrant drawn by the secretary of
7 finance and administration pursuant to vouchers signed by the
8 executive director of the authority or the executive director's
9 designee pursuant to the Bioscience Development Act; provided
10 that in the event the position of executive director is vacant,
11 vouchers may be signed by the chair of the authority.

12 SECTION 7. [NEW MATERIAL] CONFIDENTIAL INFORMATION.--
13 Information obtained by the authority regarding technological
14 innovations with federal patents pending shall be confidential
15 and not subject to inspection pursuant to the Inspection of
16 Public Records Act.

17 SECTION 8. [NEW MATERIAL] REPORT TO THE GOVERNOR AND THE
18 LEGISLATURE.--The authority shall submit a report of its
19 activities to the governor and to the appropriate interim
20 committees of the legislature not later than October 1 of each
21 year.