

1 SENATE BILL 461

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

3 INTRODUCED BY

4 Carlos R. Cisneros

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10 AN ACT

11 RELATING TO ECONOMIC DEVELOPMENT; AMENDING THE ECONOMIC  
12 DEVELOPMENT CORPORATION ACT; INCLUDING THE PROMOTION OF TOURISM  
13 AS A PURPOSE AND DUTY OF THE CORPORATION; MAKING CONFORMING  
14 CHANGES.

15  
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. Section 53-7A-2 NMSA 1978 (being Laws 2003,  
18 Chapter 183, Section 2) is amended to read:

19 "53-7A-2. PURPOSES.--The purposes of the Economic  
20 Development Corporation Act are to:

21 A. promote, stimulate, develop and advance  
22 business, prosperity, employment, [~~and~~] economic welfare,  
23 tourism and recreational facilities in the state and among its  
24 citizens;

25 B. encourage, [~~and~~] assist and market the location

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1 of new business, [~~and~~] industry and visitors in this state and  
2 the rehabilitation and expansion of existing business, [~~and~~]  
3 industry and visitors;

4 C. cooperate and act in conjunction with other  
5 organizations, public or private, in the promotion and  
6 advancement of industrial, commercial, agricultural, [~~and~~]  
7 recreational and cultural developments in the state; and

8 D. provide for the creation of a nonprofit  
9 corporation with the responsibility to work with communities  
10 throughout New Mexico in effectuating these purposes in a  
11 manner that can be quantified and measured."

12 SECTION 2. Section 53-7A-3 NMSA 1978 (being Laws 2003,  
13 Chapter 183, Section 3) is amended to read:

14 "53-7A-3. CORPORATION AUTHORIZED--BOARD OF DIRECTORS--  
15 ORGANIZATION--LIMITATION OF LIABILITY.--

16 A. A nonprofit organization to provide economic  
17 development and marketing services to the state is authorized  
18 to be organized and formed under the provisions of the  
19 Nonprofit Corporation Act and the Economic Development  
20 Corporation Act.

21 B. The corporation shall be governed by a board of  
22 directors composed of fifteen members as follows:

23 (1) the secretary of economic development;

24 (2) the secretary of tourism;

25 [~~(2)~~] (3) one economic development

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1 professional or businessperson, appointed by the governor, from  
2 each regional planning district, provided that no more than  
3 four of the economic development professionals or  
4 businesspersons shall be members of the same political party;  
5 and

6 [~~(3)~~] (4) one tourism professional  
7 [~~businessperson~~], appointed by the governor, from each regional  
8 [~~planning~~] marketing district, provided that no more than four  
9 of the [~~professional businesspersons~~] tourism professionals  
10 shall be members of the same political party.

11 C. The governor shall appoint a chair, and the  
12 board of directors shall elect other officers as the board  
13 deems necessary.

14 D. The board of directors shall adopt bylaws, in  
15 accordance with the provisions of the Nonprofit Corporation  
16 Act, governing the conduct of the corporation in the  
17 performance of its duties under the Economic Development  
18 Corporation Act.

19 E. The board of directors shall hire a president,  
20 who shall be the chief administrative officer of the  
21 corporation and be responsible for its operations.

22 F. A director, the president or another officer  
23 shall not be personally liable for any damages resulting from:

24 (1) any negligent act or omission of an  
25 employee of the corporation;

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1                   (2) any negligent act or omission of another  
2 director or officer of the corporation; or

3                   (3) any action taken as a director or officer  
4 or a failure to take any action as a director or officer unless  
5 the director or officer has breached or failed to perform the  
6 duties of [~~his~~] office and the breach or failure to perform  
7 constitutes willful misconduct or recklessness."

8                   **SECTION 3.** Section 53-7A-4 NMSA 1978 (being Laws 2003,  
9 Chapter 183, Section 4) is amended to read:

10                   "53-7A-4. CORPORATION--POWERS.--The corporation shall  
11 have the powers conferred upon domestic nonprofit corporations  
12 by the Nonprofit Corporation Act unless otherwise specified in  
13 the Economic Development Corporation Act and shall also have  
14 the power to:

- 15                   A. sue and be sued in its corporate name;
- 16                   B. purchase, take, receive or otherwise acquire;  
17 own, hold, dispose of or use; and otherwise deal in and with  
18 property, including an interest in or ownership of intangible  
19 personal property, intellectual property or technological  
20 innovations;
- 21                   C. sell, convey, pledge, exchange, transfer or  
22 otherwise dispose of its assets and properties for  
23 consideration upon terms and conditions that the corporation  
24 shall determine;
- 25                   D. make contracts, incur liabilities or borrow

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1 money at rates of interest that the corporation may determine;

2 E. make and execute all contracts, agreements or  
3 instruments necessary or convenient in the exercise of the  
4 powers and functions granted the corporation by the Economic  
5 Development Corporation Act;

6 F. receive and administer grants, contracts and  
7 private gifts;

8 G. invest and reinvest its funds;

9 H. conduct its activities, carry on its operations,  
10 have offices and exercise the powers granted by the Economic  
11 Development Corporation Act;

12 I. employ officers and employees that it deems  
13 necessary, set their compensation and prescribe their duties;

14 J. enter into agreements with insurance carriers to  
15 insure against any loss in connection with its operations;

16 K. authorize retirement programs and other benefits  
17 for salaried officers and employees of the corporation; and

18 L. contract with economic development, marketing  
19 and tourism experts and other experts and consultants that may  
20 be required and to fix and pay their compensation."

21 SECTION 4. Section 53-7A-5 NMSA 1978 (being Laws 2003,  
22 Chapter 183, Section 5) is amended to read:

23 "53-7A-5. CORPORATION--DUTIES.--Pursuant to policies  
24 established by its board of directors and as directed by its  
25 president, the corporation shall:

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