

SENATE TAX, BUSINESS AND TRANSPORTATION  
COMMITTEE SUBSTITUTE FOR  
SENATE BILL 169

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**57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; ENACTING THE STRATEGIC  
ECONOMIC DEVELOPMENT SITE READINESS ACT; MAKING AN  
APPROPRIATION.

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 "Strategic Economic Development Site Readiness  
Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the  
Strategic Economic Development Site Readiness Act:

- A. "department" means the economic development  
department;
- B. "private partner" means an individual, a foreign  
or domestic corporation, a general partnership, a limited  
liability company, a limited partnership, a joint venture, a

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1 business trust, a public benefit corporation, a nonprofit  
2 entity or other private business entity or a combination  
3 thereof;

4 C. "public partner" means the state and the state's  
5 branches, agencies, departments, boards, instrumentalities or  
6 institutions and all political subdivisions of the state and  
7 their agencies, instrumentalities and institutions, including a  
8 department, an institution of higher education, a board or a  
9 commission; and

10 D. "secretary" means the secretary of economic  
11 development.

12 SECTION 3. [NEW MATERIAL] SITE CHARACTERIZATION  
13 STUDIES.--

14 A. The department may enter into contracts with  
15 public partners and private partners for site characterization  
16 studies of proposed economic development sites to determine the  
17 suitability of such sites for certification as a strategic  
18 economic development site.

19 B. The secretary shall accept for consideration  
20 proposals for site characterization studies of proposed  
21 economic development sites and shall decide if a proposed  
22 economic development site will be the subject of a site  
23 characterization study pursuant to Subsection A of this  
24 section.

25 C. A site characterization study shall assess the

1 suitability of a proposed economic development site for  
2 development by a public partner or private partner and may  
3 consider the following characteristics:

4 (1) the availability of public infrastructure,  
5 including transportation access, water and wastewater;

6 (2) the availability of public utilities,  
7 including electricity, natural gas and broadband access;

8 (3) environmental limitations;

9 (4) size, configuration, topography, soils and  
10 drainage;

11 (5) workforce availability;

12 (6) housing availability;

13 (7) governmental land use restrictions;

14 (8) site ownership;

15 (9) neighboring land uses; and

16 (10) any other site characteristics that may  
17 affect the degree to which the site is ready for immediate  
18 economic development.

19 SECTION 4. [NEW MATERIAL] STRATEGIC ECONOMIC DEVELOPMENT  
20 SITE ADVISORY COMMITTEE--CREATED--MEMBERSHIP.--

21 A. The "strategic economic development site  
22 advisory committee" is created. The department shall provide  
23 necessary administrative services to the committee.

24 B. The strategic economic development site advisory  
25 committee is composed of:

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1 (1) the secretary of energy, minerals and  
2 natural resources or the secretary's designee;

3 (2) the secretary of environment or the  
4 secretary's designee;

5 (3) a representative of the public regulation  
6 commission appointed by the commission;

7 (4) the secretary of transportation or the  
8 secretary's designee;

9 (5) the chief executive officer of the New  
10 Mexico finance authority or the chief executive officer's  
11 designee;

12 (6) the director of the economic development  
13 division of the department; and

14 (7) five public members appointed by the New  
15 Mexico legislative council who shall have experience in law,  
16 architecture, planning, utilities, transportation or economic  
17 development.

18 C. The public members appointed initially shall  
19 draw lots for staggered terms in such a way that two members  
20 shall serve for six years, two members shall serve for four  
21 years and one member shall serve for two years. Thereafter,  
22 the public members shall serve for six-year terms. A vacancy  
23 in a term of a public member of the strategic economic  
24 development site advisory committee shall be filled by the New  
25 Mexico legislative council for the remainder of the original

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1 term.

2 D. The members shall select a chair, who shall be a  
3 public member and who shall serve a term of two years.

4 E. Members who are not public employees are  
5 entitled to per diem and mileage as provided in the Per Diem  
6 and Mileage Act but shall receive no other compensation,  
7 perquisite or allowance.

8 F. A member of the strategic economic development  
9 site advisory committee shall not participate in or influence a  
10 decision by the committee in which that member has a conflict  
11 of interest, pecuniary interest or other disqualifying interest  
12 regarding a proposed strategic economic development site. All  
13 members of the committee shall certify annually and in writing  
14 compliance with this subsection.

15 SECTION 5. [NEW MATERIAL] STRATEGIC ECONOMIC DEVELOPMENT  
16 SITE ADVISORY COMMITTEE--DUTIES.--The strategic economic  
17 development site advisory committee has the following duties:

18 A. meet quarterly and at such other times as deemed  
19 necessary by the chair;

20 B. review and recommend the designation of proposed  
21 strategic economic development sites;

22 C. recommend approval or disapproval of  
23 applications for grants and loans from the site readiness fund,  
24 the public project revolving fund and other potential funding  
25 sources;

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1           D. recommend the promulgation of rules establishing  
2 the application process and criteria for the approval of  
3 strategic economic development sites in accordance with the  
4 provisions of the State Rules Act; and

5           E. consult with state agencies and county and local  
6 governments on technical issues relevant to the committee's  
7 consideration of proposed strategic economic development sites  
8 and applications for grants and loans from the site readiness  
9 fund.

10           SECTION 6. [NEW MATERIAL] STRATEGIC ECONOMIC DEVELOPMENT  
11 SITES--DESIGNATION--IMPLEMENTATION.--

12           A. The secretary shall review site characterization  
13 studies conducted pursuant to Section 3 of the Strategic  
14 Economic Development Site Readiness Act and shall determine,  
15 after consideration of the recommendations of the strategic  
16 economic development site advisory committee:

17                   (1) whether there needs to be further study of  
18 the characteristics of proposed economic development sites; or

19                   (2) whether the proposed economic development  
20 site should be designated as a strategic economic development  
21 site.

22           B. Upon designation as a strategic economic  
23 development site, the secretary may solicit proposals from  
24 public partners and private partners for site pre-development  
25 projects that will enhance the readiness of the strategic

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1 economic development site. Site pre-development projects may  
2 include:

- 3 (1) surveying, engineering, planning and
- 4 architectural work required in advance of construction on site
- 5 development and building construction;
- 6 (2) environmental assessments and remediation;
- 7 (3) public infrastructure improvements
- 8 necessary prior to the start of site development and building
- 9 construction, including roads and utilities;
- 10 (4) site preparation, including landscaping
- 11 and drainage improvements; and
- 12 (5) governmental permitting.

13 C. The secretary shall review proposals from public  
14 partners and private partners for site pre-development projects  
15 and shall determine, after consideration of the recommendations  
16 of the strategic economic development site advisory committee,  
17 which proposed site pre-development projects could be funded in  
18 whole or in part by grants and loans from the site readiness  
19 fund or should be recommended for funding from the public  
20 project revolving fund or other funding resources.

21 **SECTION 7. [NEW MATERIAL] SITE READINESS FUND--CREATED.--**

22 A. The "site readiness fund" is created in the  
23 state treasury. The fund consists of appropriations, gifts,  
24 grants, donations, income from investment of the fund, payments  
25 of principal and interest on loans made from the fund and any

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1 other money distributed or otherwise allocated to the fund.  
2 Income from the fund shall be credited to the fund. Money in  
3 the fund shall not revert or be transferred to any other fund  
4 at the end of a fiscal year.

5 B. The department shall administer the site  
6 readiness fund. Money in the fund is appropriated to the  
7 department for the purposes of carrying out the provisions of  
8 the Strategic Economic Development Site Readiness Act,  
9 including site characteristic studies of proposed economic  
10 development sites and site preparations of strategic economic  
11 development sites. Disbursements from the fund shall be made  
12 by warrant of the secretary of finance and administration  
13 pursuant to vouchers signed by the secretary of economic  
14 development or the secretary's authorized representative.

15 C. Money in the site readiness fund may be  
16 used to provide grants and loans for financing site pre-  
17 development projects.

18 D. Money in the site readiness fund may be used for  
19 administrative and reimbursable costs incurred by the  
20 department, subject to the legislative appropriation process.

21 SECTION 8. [NEW MATERIAL] REPORT.--By October 1, 2026,  
22 and by October 1 of each year thereafter, the secretary shall  
23 provide a report to the governor, the legislative finance  
24 committee and the appropriate interim legislative committees  
25 regarding:

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1 A. the number and location of proposed economic  
2 development sites that have been approved for site  
3 characterization studies;

4 B. the number and location of strategic economic  
5 development sites that have been approved by the secretary;

6 C. the number and location of site pre-development  
7 projects that have been approved by the secretary, including  
8 those that have been approved for funding, in whole or in part,  
9 through grants and loans from the site readiness fund, the  
10 public project revolving fund or other funding resources;

11 D. the status of the site readiness fund; and

12 E. recommended changes to the Strategic Economic  
13 Development Site Readiness Act.

14 SECTION 9. APPROPRIATION.--Twenty-four million dollars  
15 (\$24,000,000) is appropriated from the general fund to the site  
16 readiness fund for expenditure in fiscal year 2026 and  
17 subsequent fiscal years for the implementation of the Strategic  
18 Economic Development Site Readiness Act. Any unexpended or  
19 unencumbered balance remaining at the end of a fiscal year  
20 shall not revert to the general fund.

21 SECTION 10. EFFECTIVE DATE.--The effective date of the  
22 provisions of this act is July 1, 2025.

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