

1 SENATE BILL 222

2 56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

3 INTRODUCED BY

4 George K. Muñoz

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10 AN ACT

11 RELATING TO ECONOMIC DEVELOPMENT; PROVIDING APPLICATIONS TO THE
12 ECONOMIC DEVELOPMENT DEPARTMENT FOR FUNDING PURSUANT TO THE
13 LOCAL ECONOMIC DEVELOPMENT ACT; REQUIRING AN ANNUAL REPORT.

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

16 SECTION 1. Section 5-10-8 NMSA 1978 (being Laws 1993,
17 Chapter 297, Section 8, as amended) is amended to read:

18 "5-10-8. APPLICATIONS FOR PUBLIC SUPPORT.--

19 A. ~~[After the adoption of an economic development~~
20 ~~plan by a local or regional government]~~ A qualifying entity
21 shall submit to ~~[the]~~ a local or regional government or the
22 department an application for public support of a qualifying
23 entity's economic development project; provided that an
24 application to a local or regional government shall not be made
25 until the local or regional government has adopted an economic

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1 development plan.

2 B. The application shall be on a form and require
3 such information as the local or regional government or the
4 department deems necessary. The department's application shall
5 be made available online."

6 SECTION 2. Section 5-10-9 NMSA 1978 (being Laws 1993,
7 Chapter 297, Section 9, as amended) is amended to read:

8 "5-10-9. APPLICATION--PROJECT EVALUATION--DEPARTMENT.--

9 A. The local or regional government or the
10 department shall review each application for public support
11 submitted pursuant to Section 5-10-8 NMSA 1978, and any public
12 support from a local or regional government shall be approved
13 by ordinance.

14 B. The local or regional government's or the
15 department's evaluation of an application shall be based on the
16 provisions of the economic development plan, the financial and
17 management stability of the qualifying entity, the demonstrated
18 commitment of the qualifying entity to the community, a cost-
19 benefit analysis of the project and any other information the
20 local or regional government or the department believes is
21 necessary for a full review of the economic development project
22 application.

23 C. The local or regional government or the
24 department may negotiate with a qualifying entity on the type
25 or amount of public support to be provided or on the scope of

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1 the economic development project."

2 SECTION 3. A new section of the Local Economic
3 Development Act, Section 5-10-15.1 NMSA 1978, is enacted to
4 read:

5 "5-10-15.1. [NEW MATERIAL] ANNUAL REPORT.--

6 A. The department shall compile an annual report on
7 the public support provided for economic development projects
8 by all local or regional governments and the department. The
9 report shall include:

10 (1) the number of qualifying entities approved
11 for support;

12 (2) the aggregate amount of public support
13 provided;

14 (3) for each economic development project for
15 which public support was provided, the:

16 (a) amount of public support provided;

17 (b) number of jobs the qualifying entity
18 committed to create;

19 (c) number of jobs created by the
20 qualifying entity;

21 (d) median wage of the jobs created;

22 (e) amount of capital investment the
23 qualifying entity committed to expend or allocate;

24 (f) amount of capital investment
25 expended or allocated by the qualifying entity; and

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(g) return on the investment and an explanation of the methodology;

(4) the average amount of public support provided for each job created by qualifying entities; and

(5) any other information necessary to evaluate the effectiveness of public support provided pursuant to the Local Economic Development Act.

B. The department shall present the annual report to the legislative finance committee with an analysis of the effectiveness and cost of the Local Economic Development Act and whether it is fulfilling the purpose for which it was created.

C. The department shall publish the report on its website; provided that the department shall not include any confidential, sensitive or proprietary information about a qualifying entity, including its financial information, management information or trade secrets."