

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 562

51st Legislature, 1st Session, 2013

Tracking Number: .192522.1

Short Title: Create Technology Research Collaborative

Sponsor(s): Representative Stephanie Garcia Richard and Others

Analyst: Travis Dulany

Date: March 7, 2013

Bill Summary:

HB 562 creates a technology research collaborative (TRC), with the New Mexico Institute of Mining and Technology (NMIMT) serving as fiscal agent. Members of the TRC shall include:

- the national laboratories;
- major research institutes; and
- all postsecondary institutions of New Mexico.

Purposes of the TRC are to:

- establish advanced technology centers;
- develop and commercialize intellectual property to encourage new opportunities for business and job creation; and
- create a workforce to support enterprises based on the created intellectual property.

HB 562 also establishes a board of the TRC consisting of 11 members, each serving two-year terms, as follows:

- the Governor or designee, who serves as chair;
- the presidents or designees of the University of New Mexico, New Mexico State University, and the NMIMT;
- five members at large appointed by the Governor with the consent of the Senate;
- the director or designee of Sandia National Laboratories; and
- the director or designee of Los Alamos National Laboratory.

HB 562 further provides that the duties of the board shall be to:

- employ a director and other staff, who shall be exempt from the *Personnel Act*; and
- prepare annual reports for the Legislature on expenditures and progress of the TRC.

Fiscal Impact:

HB 562 does not contain an appropriation.

Fiscal Issues:

HB 562 requires the board of the TRC to employ a director and other staff; however, the bill does not provide funding to pay the salaries for these staff. A related introduced bill, SB 501, *Technology Collaborative*, makes an appropriation of \$500,000 to the Board of Regents of NMIMT to “support the Council of University Presidents’ development of a technology research collaborative...” According to the Legislative Finance Committee, the appropriation contained in SB 501 is a recurring appropriation from the General Fund.

Substantive Issues:

According to the Higher Education Department (HED), the TRC would benefit New Mexico by:

- bringing in additional grant money;
- identifying core technology strengths;
- facilitating the acceleration and commercialization of technologies to stimulate economic development; and
- creating high-wage jobs by providing funding, mentoring, and business development assistance.

According to the Economic Development Department:

- commercializing the technology developed in New Mexico is a critical component in the state’s economic future;
- technology-intensive companies create high-wage jobs;
- although the importance of technology commercialization is acknowledged, New Mexico has struggled to capture a “reasonable share” of the intellectual property created in the state; and
- many other states that do not have three national laboratories have much more success in creating and growing technology-intensive companies.

Background:

HED further states that the proposal contained in HB 562 was adopted by the Legislature in 2005, but was repealed in 2009. The TRC was replaced with the nonprofit corporation, the New Mexico Research Applications Center (NMRAC). All assets of the TRC were transferred to NMRAC.

It appears that at least some of the mission of the NMRAC has been assumed by the New Mexico Computing Applications Center, with the same partners identified in HB 562.

Committee Referrals:

HBIC/HEC

Related Bills:

SB 501 *Technology Collaborative*
SB 571 *Technology Research Collaborative*