

HOUSE BILL 321

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

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AN ACT

RELATING TO ECONOMIC DEVELOPMENT; AMENDING THE LOCAL ECONOMIC
DEVELOPMENT ACT; ALLOWING FOR MEDICAL SERVICES.

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

SECTION 1. Section 5-10-3 NMSA 1978 (being Laws 1993,
Chapter 297, Section 3, as amended by Laws 2021, Chapter 3,
Section 1 and by Laws 2021, Chapter 135, Section 1) is amended
to read:

"5-10-3. DEFINITIONS.--As used in the Local Economic
Development Act:

A. "arts and cultural district" means a developed
district of public and private uses that is created pursuant to
the Arts and Cultural District Act;

B. "broadband telecommunications network
facilities" means the electronics, equipment, transmission

1 facilities, fiber-optic cables and any other item directly
2 related to a system capable of transmission of internet
3 protocol or other formatted data at current federal
4 communications commission baseline speed standard, all of which
5 will be owned and used by a provider of internet access
6 services;

7 C. "cultural facility" means a facility that is
8 owned by the state, a county, a municipality or a qualifying
9 entity that serves the public through preserving, educating and
10 promoting the arts and culture of a particular locale,
11 including theaters, museums, libraries, galleries, cultural
12 compounds, educational organizations, performing arts venues
13 and organizations, fine arts organizations, studios and media
14 laboratories and live-work housing facilities;

15 D. "department" means the economic development
16 department;

17 E. "economic development project" or "project"
18 means the project of a qualifying entity for which public
19 support may be provided pursuant to the Local Economic
20 Development Act;

21 F. "governing body" means the city council, city
22 commission or board of trustees of a municipality or the board
23 of county commissioners of a county;

24 G. "local government" means a municipality or
25 county;

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1 H. "municipality" means an incorporated city, town
2 or village;

3 I. "new full-time economic base job" means a job:

4 (1) that is primarily performed in New Mexico;

5 (2) that is held by an employee who is hired
6 to work an average of at least thirty-two hours per week for at
7 least forty-eight weeks per year;

8 (3) that is:

9 (a) involved, directly or in a
10 supervisory capacity, with the production of: 1) a service;
11 provided that the majority of the revenue generated from the
12 service is from sources outside the state; or 2) tangible or
13 intangible personal property for sale; or

14 (b) held by an employee who is employed
15 at a regional, national or international headquarters operation
16 or at an operation that primarily provides services for other
17 operations of the qualifying entity that are located outside
18 the state; and

19 (4) that is not directly involved with natural
20 resources extraction or processing, on-site services where the
21 customer is present for the delivery of the service, retail,
22 construction or agriculture except for value-added processing
23 performed on agricultural products that would then be sold for
24 wholesale or retail consumption;

25 J. "person" means an individual, corporation,

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1 association, partnership or other legal entity;

2 K. "public support" means the provision of
3 assistance by the state to a local or regional government or
4 the provision of direct or indirect assistance to a qualifying
5 entity by a local or regional government for an economic
6 development project. "Public support":

7 (1) includes the provision of:

8 (a) land, buildings or other
9 infrastructure, by purchase, lease, grant, construction,
10 reconstruction, improvement or other acquisition or conveyance;

11 (b) the placement of new broadband
12 telecommunications network facilities; provided that the
13 facilities shall not serve a public facility or location that
14 already meets federal communications commission baseline speed
15 standards;

16 (c) rights-of-way infrastructure,
17 including trenching and conduit, for the placement of new
18 broadband telecommunications network facilities;

19 (d) public works improvements essential
20 to the location or expansion of a qualifying entity;

21 (e) payments for professional services
22 contracts necessary for local or regional governments to
23 implement a plan or provide public support for a project;

24 (f) direct loans or grants for land,
25 buildings or infrastructure;

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1 (g) technical assistance to cultural
2 facilities;

3 (h) loan guarantees securing the cost of
4 land, buildings or infrastructure in an amount not to exceed
5 the revenue that may be derived from an increment of the: 1)
6 municipal gross receipts tax imposed at a rate not to exceed
7 one-fourth percent and dedicated by the ordinance imposing the
8 increment for projects; or 2) county gross receipts tax imposed
9 at a rate not to exceed one-eighth percent and dedicated by the
10 ordinance imposing the increment for projects;

11 (i) grants for public works
12 infrastructure improvements essential to the location or
13 expansion of a qualifying entity and grants or subsidies to
14 cultural facilities;

15 (j) land for a publicly held industrial
16 park or a publicly owned cultural facility, by purchase; and

17 (k) the construction of a building for
18 use by a qualifying entity; but

19 (2) does not include the purchase, lease,
20 grant or other acquisition or conveyance of water rights;

21 L. "qualifying entity" means a corporation, limited
22 liability company, partnership, joint venture, syndicate,
23 association or other person that is one or a combination of two
24 or more of the following:

25 (1) an industry for the manufacturing,

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1 processing or assembling of agricultural or manufactured
2 products;

3 (2) a commercial enterprise for storing,
4 warehousing, distributing or selling products of agriculture,
5 mining or industry, but, other than as provided in Paragraph
6 (5), (6) or (9) of this subsection, not including any
7 enterprise for sale of goods or commodities at retail or for
8 distribution to the public of electricity, gas, water or
9 telephone or other services commonly classified as public
10 utilities;

11 (3) a business, including a restaurant or
12 lodging establishment, in which all or part of the activities
13 of the business involves the supplying of services to the
14 general public or to governmental agencies or to a specific
15 industry or customer, but, other than as provided in Paragraph
16 (5) or (9) of this subsection, not including businesses
17 primarily engaged in the sale of goods or commodities at
18 retail;

19 (4) an Indian nation, tribe or pueblo or a
20 federally chartered tribal corporation;

21 (5) a telecommunications sales enterprise that
22 makes the majority of its sales to persons outside New Mexico;

23 (6) a facility for the direct sales by growers
24 of agricultural products, commonly known as farmers' markets;

25 (7) a business that is the developer of a

1 metropolitan redevelopment project;

2 (8) a cultural facility; ~~and~~

3 (9) a retail business; and

4 (10) a business providing medical services

5 performed by a person licensed pursuant to the following acts,

6 which services are within the person's scope of practice:

7 (a) Medical Practice Act;

8 (b) Physical Therapy Act;

9 (c) Occupational Therapy Act;

10 (d) Speech-Language Pathology, Audiology

11 and Hearing Aid Dispensing Practices Act;

12 (e) Pharmacy Act;

13 (f) Nutrition and Dietetics Practice

14 Act;

15 (g) Respiratory Care Act;

16 (h) Medical Imaging and Radiation

17 Therapy Health and Safety Act;

18 (i) Dental Health Care Act;

19 (j) Professional Psychologist Act;

20 (k) Counseling and Therapy Practice Act;

21 (l) Nursing Practice Act;

22 (m) Optometry Act; or

23 (n) Emergency Medical Services Act;

24 M. "regional government" means any combination of
25 municipalities and counties that enter into a joint powers

1 agreement to provide public support for economic development
2 projects pursuant to a plan adopted by all parties to the joint
3 powers agreement; and

4 N. "retail business" means a business that is
5 primarily engaged in the sale of goods or commodities at retail
6 and that is located:

7 (1) in a municipality with a population,
8 according to the most recent federal decennial census, of:

9 (a) fifteen thousand or less; or
10 (b) more than fifteen thousand if the
11 economic development project is not funded or financed with
12 state government revenues; or

13 (2) in an unincorporated area of a county."

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