

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; CREATING THE ECONOMIC DEVELOPMENT GRANT PROGRAM; CREATING THE ECONOMIC DEVELOPMENT GRANT FUND; REVISING THE ECONOMIC DEVELOPMENT COMMISSION'S DUTIES; DECLARING AN EMERGENCY.

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

**SECTION 1. SHORT TITLE.**--Sections 1 through 6 of this act may be cited as the "Economic Development Grant Act".

**SECTION 2. PURPOSE.**--The purpose of the Economic Development Grant Act is to provide matching state grants to local and regional economic development agencies to expand the economic development and job-creation capacities of those agencies through employment of economic development professionals.

**SECTION 3. DEFINITIONS.**--As used in the Economic Development Grant Act:

A. "commission" means the economic development commission; and

B. "department" means the economic development department.

**SECTION 4. ECONOMIC DEVELOPMENT GRANT PROGRAM--  
CREATED--OVERSIGHT.--**

A. The "economic development grant program" is created in the department. The commission shall oversee the

program, and the department shall provide administrative assistance to the commission as needed.

B. The commission shall:

(1) establish and publish deadlines and guidelines for the submission of grant applications;

(2) develop procedures for receipt, review and approval of grant applications;

(3) receive, review and approve grant applications;

(4) award grants to local and regional economic development agencies for up to fifty percent of the cost to the agencies to hire economic development professionals;

(5) monitor local and regional economic development agencies' use of grant money by reviewing annual reports submitted by those agencies to the commission to ensure that grants are used consistently with the agencies' grant applications; and

(6) perform other duties as necessary to carry out the provisions of the Economic Development Grant Act.

**SECTION 5. GRANT APPLICATIONS--GRANT RECIPIENTS--REQUIREMENTS.--**

A. A local or regional economic development agency may submit an application to the commission for an economic

development grant. An applying agency shall comply with deadlines and guidelines published by the commission. A grant application shall include a statement of:

(1) the amount of money that the local or regional economic development agency has allocated to employ economic development professionals;

(2) the amount of matching grant money that the local or regional economic development agency requests; and

(3) the ways that the local or regional economic development agency's employment of one or more economic development professionals will expand the agency's economic development or job-creation efforts in the agency's local area or region or in the state.

B. During the time that one or more economic development professionals are employed by a local or regional economic development agency using grant money, the agency shall report annually to the commission. A report shall include:

(1) the name, dates of employment and professional credentials of each economic development professional employed by the local or regional economic development agency using grant money; and

(2) detailed information about each economic development professional's role and contributions to the local

or regional economic development agency, including:

(a) new jobs in the agency's local area or region or in the state that are attributable to the professional's efforts;

(b) the number of cases that the professional completed;

(c) the number of cases that the professional managed;

(d) the number of job-creation leads generated by the professional; and

(e) the number of job-creation projects sourced through the professional's marketing efforts.

**SECTION 6. ECONOMIC DEVELOPMENT GRANT FUND CREATED.--**

The "economic development grant fund" is created in the state treasury. The fund consists of appropriations, gifts, grants and donations to the fund and income from investment of the fund. Money in the fund shall not revert to any other fund at the end of a fiscal year. The department shall administer the fund, and money in the fund is appropriated to the department to provide matching funds to local and regional development agencies as approved by the commission. Money in the fund shall be disbursed on warrants signed by the secretary of finance and administration pursuant to vouchers signed by the secretary of economic development or the secretary's authorized representative.

SECTION 7. Section 9-15-11 NMSA 1978 (being Laws 1988, Chapter 81, Section 5, as amended) is amended to read:

"9-15-11. ECONOMIC DEVELOPMENT COMMISSION CREATED-- MEMBERSHIP--DUTIES.--

A. The "economic development commission" is created. The commission shall be a planning commission administratively attached to the department.

B. The commission shall:

(1) provide advice to the department on policy matters;

(2) oversee the economic development grant program as provided in the Economic Development Grant Act;

(3) review and approve applications for matching grants and award grants pursuant to the Economic Development Grant Act; and

(4) be responsible for the annual approval and update of the state's five-year economic development plan.

C. The commission shall consist of nine members who shall be qualified electors of the state, no more than five of whom at the time of appointment are members of the same political party. Members shall be appointed by the governor and confirmed by the senate. Seven members shall be appointed from their respective planning districts, the eighth member shall be a Native American and represent the interests of the Indian tribes and pueblos and the ninth member shall

represent the public at large.

D. Appointments shall be made for five-year terms expiring on January 1 of the appropriate year. Commission members shall serve staggered terms as determined by the governor at the time of their initial appointment. Annually, the governor shall designate a chair of the commission from among the members.

E. The commission shall meet at the call of the chair, not less than once each quarter, and shall invite representatives of appropriate legislative committees, other state agencies and interested persons to its meetings for the purpose of information exchange and coordination.

F. Commission members shall not vote by proxy. A majority of the members constitutes a quorum for the conduct of business.

G. Members of the commission shall not be removed except for incompetence, neglect of duty or malfeasance in office; provided, however, no removal shall be made without notice of hearing and an opportunity to be heard having first been given the member being removed. The senate shall be given exclusive original jurisdiction over proceedings to remove members of the commission under such rules as the senate may promulgate. The senate's decision in connection with such matters shall be final. A vacancy in the membership of the commission occurring other than by expiration of term

shall be filled in the same manner as the original appointment, but for the unexpired term only.

H. Commission members shall not be paid, but they are entitled to receive per diem and mileage as provided in the Per Diem and Mileage Act."

**SECTION 8. EMERGENCY.**--It is necessary for the public peace, health and safety that this act take effect immediately. \_\_\_\_\_