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HOUSE BILL 460

53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

INTRODUCED BY

Larry A. Larrañaga

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; ENACTING THE BIOSCIENCE
DEVELOPMENT ACT; CREATING THE BIOSCIENCE AUTHORITY FUND.

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 "Bioscience Development Act".

SECTION 2. [NEW MATERIAL] PURPOSE OF ACT.--The purpose of
the Bioscience Development Act is to:

A. encourage and foster economic development in the
state and its cities and counties by attracting and encouraging
the growth of bioscience industries and facilities in New
Mexico;

B. proactively engage with industry, chambers of
commerce and economic development associations to ensure that
New Mexico develops a turnkey and effective means of attracting

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1 bioscience companies and allowing new bioscience companies to
2 start up, including an effort to reduce unnecessary regulatory
3 and permitting challenges;

4 C. actively promote and assist public and private
5 sector infrastructure development to attract new bioscience
6 industries and businesses, thereby creating new job
7 opportunities in the state;

8 D. engage the state's institutions of higher
9 education and national research laboratories to promote and
10 assist in the development of New Mexico's life science
11 workforce and to promote bioscience discovery;

12 E. work with state agencies to identify effective
13 incentives targeted to increase bioscience presence in New
14 Mexico; and

15 F. promote educational involvement in bioscience
16 activities and education and training of the workforce to
17 develop the skills needed for bioscience industries.

18 SECTION 3. [NEW MATERIAL] DEFINITIONS.--As used in the
19 Bioscience Development Act:

20 A. "authority" means the bioscience authority;

21 B. "bioscience" means the scientific areas
22 represented by life sciences and biotechnology that are
23 included in the five industries recognized by the United States
24 department of labor:

25 (1) drugs and pharmaceuticals;

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- 1 (2) medical devices and equipment;
2 (3) research testing and medical laboratories;
3 (4) bioscience-related distribution; and
4 (5) agriculture and chemicals related to
5 bioscience;

6 C. "financial assistance" means tax incentives,
7 grants, loans and other financial benefits provided for
8 projects to a qualified entity on terms and conditions approved
9 by the authority;

10 D. "national laboratories" means Los Alamos
11 national laboratory and Sandia national laboratories; and

12 E. "research institutions" means the university of
13 New Mexico, New Mexico state university and the New Mexico
14 institute of mining and technology.

15 SECTION 4. [NEW MATERIAL] BIOSCIENCE AUTHORITY CREATED--
16 BOARD OF DIRECTORS--MEMBERSHIP.--

17 A. The "bioscience authority" is created as a
18 public-private partnership representing a collaborative among
19 state government, research institutions, national laboratories
20 and private industry in New Mexico. The authority is
21 administratively attached to the economic development
22 department.

23 B. The board of directors of the authority shall
24 consist of fifteen voting members as follows:

- 25 (1) the secretaries of economic development

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1 and higher education or their designees;

2 (2) the vice president for research of the
3 university of New Mexico;

4 (3) the vice chancellor for research of the
5 university of New Mexico health sciences center;

6 (4) the vice president for research of New
7 Mexico state university;

8 (5) the vice president for research and
9 economic development of the New Mexico institute of mining and
10 technology; and

11 (6) nine members of the public who have
12 experience working in bioscience, appointed as follows:

13 (a) three members appointed by the
14 governor with the consent of the senate;

15 (b) three members appointed by the
16 president pro tempore of the senate with the consent of the
17 senate; and

18 (c) three members appointed by the
19 speaker of the house of representatives with the consent of the
20 senate.

21 C. The executive director of the authority shall
22 serve as a nonvoting member of the board of directors.

23 D. The public members appointed pursuant to
24 Paragraph (6) of Subsection B of this section by the governor,
25 the president pro tempore of the senate and the speaker of the

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1 house of representatives shall be residents of the state and
2 shall serve for terms of three years, except for the initial
3 appointees, who shall be appointed so that the terms are
4 staggered after initial appointment. Initial appointees by
5 governor, the president pro tempore of the senate and the
6 speaker of the house shall serve terms as follows: one member
7 for one year; one member for two years; and one member for
8 three years.

9 E. Appointed voting members of the board of
10 directors may be reimbursed for per diem and mileage in
11 accordance with the provisions of the Per Diem and Mileage Act
12 that apply to nonsalaried public officers, unless a different
13 provision of that act applies to a specific member, in which
14 case that member shall be paid under the applicable provision.
15 Members shall receive no other compensation, perquisite or
16 allowance for serving as a member of the board of directors.

17 F. The secretary of economic development or the
18 secretary's designee shall serve as the chair of the board of
19 directors. Members of the board of directors shall elect any
20 other officers from the membership that the board determines to
21 be appropriate.

22 G. The chair and four voting members of the board
23 of directors appointed by the chair, two of whom shall be
24 public members, shall constitute the "bioscience authority
25 executive committee". The executive director of the bioscience

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1 authority board of directors shall be a nonvoting member of the
2 executive committee. The executive committee shall have powers
3 and duties as delegated to it by the board of directors.

4 H. If a vacancy occurs among the appointed voting
5 members of the board of directors, the appointing authority of
6 the former member shall appoint a replacement to serve out the
7 term of that member. If an appointed member's term expires,
8 the member shall continue to serve until the member is
9 reappointed or until another person is appointed and confirmed
10 by the senate to replace the member.

11 I. The board of directors shall meet at the call of
12 the chair and shall meet in regular session at least once every
13 three months.

14 J. The board of directors shall maintain written
15 minutes of all meetings of the authority and maintain other
16 appropriate records, including financial transaction records in
17 compliance with law and adequate to provide an accurate record
18 for audit purposes pursuant to the Audit Act.

19 SECTION 5. [NEW MATERIAL] AUTHORITY POWERS AND DUTIES.--

20 A. The authority shall:

21 (1) advise the governor, the economic
22 development department, the legislature and the New Mexico
23 finance authority oversight committee on methods, proposals,
24 programs and initiatives that may stimulate investment in
25 bioscience industries and provide additional employment

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1 opportunities for New Mexico residents;

2 (2) make and execute all contracts and other
3 instruments necessary or convenient to the exercise of its
4 powers and duties;

5 (3) create programs to expand bioscience
6 economic opportunities within New Mexico, including potential
7 means of providing financial assistance and incentives for
8 bioscience industries and facilities;

9 (4) create avenues of communication between
10 New Mexico and representatives of bioscience industries;

11 (5) promote legislation that will further the
12 goals of the authority and development of bioscience industries
13 and facilities;

14 (6) oversee, produce or cause to have produced
15 promotional literature related to explanation and fulfillment
16 of the authority's goals;

17 (7) identify science and technology trends
18 that are significant to bioscience enterprises and act as a
19 clearinghouse for bioscience enterprise issues and information;

20 (8) coordinate and expedite the involvement of
21 the state executive branch's bioscience-related development
22 efforts;

23 (9) perform or cause to be performed
24 environmental, transportation, communication, land use and
25 other technical studies necessary or advisable for bioscience

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1 projects or programs; and

2 (10) actively recruit industries and establish
3 programs that will result in the location and relocation of new
4 bioscience industries in the state.

5 B. The authority may:

6 (1) advise and cooperate with municipalities,
7 counties, state agencies and organizations, appropriate federal
8 agencies and organizations and other interested persons and
9 groups;

10 (2) solicit and accept federal, state, local
11 and private grants of funds, property or financial or other aid
12 in any form for the purpose of carrying out the provisions of
13 the Bioscience Authority Act;

14 (3) adopt rules governing the manner in which
15 its business is transacted and the manner in which the powers
16 of the authority are exercised and its duties performed;

17 (4) act as an applicant for bioscience
18 facilities and assist in carrying out all tasks and functions
19 for the acquisition or construction of bioscience facilities,
20 including filing all necessary documents and follow-up of such
21 filings with appropriate agencies;

22 (5) contract with any competent private or
23 public organization or individual to assist in the fulfillment
24 of its duties;

25 (6) enter into agreements with the federal

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1 government for the operation, improvement and expansion of
2 bioscience facilities; and

3 (7) enter into joint ventures, partnerships or
4 other business relationships with qualified entities and
5 private persons for the joint funding and operation of
6 bioscience projects.

7 C. In exercising its authority, the authority shall
8 not incur debt as a general obligation of the state or pledge
9 the full faith and credit of the state to repay debt.

10 SECTION 6. [NEW MATERIAL] AUTHORITY STAFF--CONTRACTS.--

11 A. To the extent that funding is available, the
12 authority shall hire an executive director who shall employ the
13 necessary professional, technical and clerical staff to enable
14 the authority to function efficiently.

15 B. The executive director of the authority shall
16 direct the affairs and business of the authority, subject to
17 the policies, control and direction of the board of directors.

18 C. The authority may contract with any other
19 competent private or public organization or individual to
20 assist in the fulfillment of its duties.

21 SECTION 7. [NEW MATERIAL] FUND CREATED.--

22 A. The "bioscience development fund" is created in
23 the state treasury. Separate accounts within the fund may be
24 created for any project. Money in the fund is appropriated to
25 the authority for the purposes of carrying out the provisions

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1 of the Bioscience Development Act. Money in the fund shall not
2 revert at the end of a fiscal year.

3 B. Except as provided in this section, money
4 received by the authority shall be deposited in the fund,
5 including:

- 6 (1) money appropriated by the legislature;
- 7 (2) interest earned upon money in the fund;
- 8 (3) property or securities acquired through
9 the use of money belonging to the fund;
- 10 (4) all earnings of property or securities
11 acquired pursuant to Paragraph (3) of this subsection;
- 12 (5) all of the money received by the authority
13 from a public or private source; and
- 14 (6) fees, rents or other charges imposed and
15 collected by the authority.

16 C. Disbursements from the bioscience development
17 fund shall be made only upon warrant drawn by the secretary of
18 finance and administration pursuant to vouchers signed by the
19 executive director of the authority or the executive director's
20 designee pursuant to the Bioscience Development Act; provided
21 that in the event the position of executive director is vacant,
22 vouchers may be signed by the chair of the authority.

23 SECTION 8. [NEW MATERIAL] PROPRIETARY INFORMATION.--
24 Information obtained by the authority that is proprietary,
25 technical or business information shall be confidential and not

1 subject to inspection pursuant to the Inspection of Public
2 Records Act.

3 SECTION 9. [NEW MATERIAL] REPORT TO THE LEGISLATURE.--The
4 authority shall submit a report of its activities to the
5 governor and to the appropriate interim committees of the
6 legislature not later than October 1 of each year.

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