

SENATE BILL 382

56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023

INTRODUCED BY

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This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; MAKING THE BIOSCIENCE DEVELOPMENT FUND A NONREVERTING FUND; CREATING THE BIOSCIENCE CO-INVESTMENT FUND; IMPOSING RESTRICTIONS ON CO-INVESTMENT.

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

SECTION 1. Section 9-15E-7 NMSA 1978 (being Laws 2017, Chapter 134, Section 7) is amended to read:

"9-15E-7. FUND CREATED.--

.224656.2AIC March 7, 2023 (3:52pm)

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A. The "bioscience development fund" is created in the state treasury. Separate accounts within the fund may be created for any project. Money in the fund, subject to appropriation by the legislature, may be expended by the authority for the purposes of carrying out the provisions of the Bioscience Development Act. ~~[Any general fund balance from money appropriated by the legislature in the fund shall revert at the end of a fiscal year.]~~ Any unexpended or unencumbered balance remaining in the fund at the end of a fiscal year shall not revert to the general fund.

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

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

C. Disbursements from the bioscience development fund shall be made only upon warrant drawn by the secretary of

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finance and administration pursuant to vouchers signed by the secretary of economic development or the secretary's designee pursuant to the Bioscience Development Act."

SECTION 2. A new section of Bioscience Development Act is enacted to read:

"[NEW MATERIAL] INVESTMENT PARTNERSHIPS.--The authority shall form partnerships with private investment organizations with at least five years' experience investing in New-Mexico-based companies. The board of directors is responsible for the selection of investment partners in partnership with the university of New Mexico purchasing department. Investment partners may include venture capital firms, growth equity firms, private equity firms and angel investment firms."

SECTION 3. A new section of the Bioscience Development Act is enacted to read:

"[NEW MATERIAL] RESTRICTIONS.--

A. Co-investment by the authority in New-Mexico-based bioscience businesses or businesses that relocate to New Mexico shall be matched by no less than a two-to-one ratio by private investment.

B. Entities receiving funds from the bioscience development fund shall establish operations in New Mexico with greater than five employees for a period of greater than five years or until the business is no longer solvent.

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C. The board of directors is responsible for determination of additional restrictions related to the bioscience development fund."

SFC→~~SECTION 4. APPROPRIATION.--Fifty million dollars (\$50,000,000) is appropriated from the general fund to the bioscience development fund for expenditure in fiscal year 2024 and subsequent fiscal years for the purposes of co-investment in New-Mexico-based bioscience businesses or established bioscience businesses that relocate to New Mexico. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.~~←SFC

SECTION SFC→5.←SFC SFC→4.←SFC EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2023.