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SENATE BILL 1217

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

FERNANDO R. MACIAS

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; AMENDING THE DUTIES OF THE TECHNOLOGY ENTERPRISE DIVISION OF THE ECONOMIC DEVELOPMENT DEPARTMENT TO PROVIDE FOR CENTERS OF EXCELLENCE FOR RESEARCH AND TECHNOLOGY TRANSFER AND FOR REFERRAL SERVICES; MAKING AN APPROPRI ATI ON.

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

Section 1. Section 9-15-16 NMSA 1978 (being Laws 1991, Chapter 21, Section 21) is amended to read:

"9-15-16. TECHNOLOGY ENTERPRISE DIVISION CREATED. -- The "technology enterprise division" is created as a division of the economic development department. The division shall:

enhance the business climate to encourage the start-up, relocation, development and growth of technology-based industry in New Mexico;

1	B. promote an expanded, diversified technology-based
2	economy, emphasizing areas that:
3	(1) derive from the state's technological
4	strengths;
5	(2) provide a commercial advantage;
6	(3) lend themselves to a distributed
7	technology-based industry network; and
8	(4) utilize imaginative state, federal and
9	pri vate partnershi ps; [and]
10	C. attain sufficient levels of human, financial and
11	physical resources to support in-state industries and attract
12	new industries to New Mexico; <u>and</u>
13	D. encourage the development of centers of
14	excellence for research and technology transfer."
15	Section 2. Section 9-15-17 NMSA 1978 (being Laws 1991,
16	Chapter 21, Section 22) is amended to read:
17	"9-15-17. DIRECTORDUTIESThe director of the
18	technology enterprise division is responsible for the overall
19	supervision of the division in accordance with the provisions of
20	Section 9-15-16 NMSA 1978. In addition, the director shall:
21	A. formulate and submit to the <u>economic development</u>
22	commission a five-year state technology development plan;
23	B. develop and be responsible for the operating and
24	capital budgets of the division;
25	C. develop agreements with federal research,

development, testing and evaluating organizations and universities to facilitate the transfer and commercialization of technology;

- D. recommend to the secretary of economic development proposed projects and contracts in accordance with the policies, procedures and guidelines established by the economic development department;
- E. subject to the approval of the secretary <u>of</u>

 <u>economic development</u>, apply for and accept any federal funds or

 grants and private donations;
- F. develop requests for proposals in technology commercialization areas given priority by the economic development commission in the state's economic development and tourism plan; receive and refer with commentary to the secretary of economic development proposals submitted in response to requests for proposals; confer with research investigators to assist them when needed; monitor progress on state-funded research and development projects; maintain contact with research and development offices of the universities, federal laboratories and private research operations; and receive reports of individual projects;
 - G. prepare an annual report on:
- $\hspace{1cm} \hbox{(1)} \hspace{3em} \hbox{the status of the technology enterprise} \\ \\ \hbox{division;} \\$
 - (2) the status of ongoing research and

development projects;

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- the results obtained from completed (3) projects and the dissemination of those results; and
 - **(4)** other activities of the division;
- H. maintain and update records on the status of all completed and ongoing projects;
- request from each entity under contract with the Ι. division a detailed description of tasks and associated budgets for review and approval by the economic development commission; and
- J. perform such other duties as are assigned to him by the secretary of economic development in order to further the purposes of Section [9-15-17] 9-15-16 NMSA 1978."
- Section 9-15-19 NMSA 1978 (being Laws 1991, Section 3. Chapter 21, Section 24) is amended to read:

"9-15-19. TECHNOLOGY ENTERPRISE FUND CREATED. -- There is created in the state treasury the "technology enterprise fund". No money appropriated to this fund or accruing to it through cooperative research and technology transfer agreements, gifts, grants or bequests shall be transferred to another fund or encumbered or disbursed in any manner except for activities conducted pursuant to Sections 9-15-16 through [9-15-19] 9-15-20 The fund shall not revert at the end of a fiscal NMSA 1978. Money appropriated to the research and development fund year. is appropriated to the technology enterprise fund; provided, any

existing agreement to be paid from funds appropriated to the research and development fund shall be paid from the technology enterprise fund. Disbursements from the fund shall be made only upon warrant drawn by the secretary of finance and administration pursuant to vouchers signed by the secretary of economic development or his designee for the purpose of paying the cost of activities conducted pursuant to Sections 9-15-16 through [9-15-19] 9-15-20 NMSA 1978."

Section 4. A new Section 9-15-20 NMSA 1978 is enacted to read:

"9-15-20. [NEW MATERIAL] CENTERS OF EXCELLENCE FOR

RESEARCH AND TECHNOLOGY TRANSFER--AWARD OF FUNDS--TECHNOLOGY

TRANSFER AND TECHNICAL REFERRAL CLEARINGHOUSE.--

A. The technology enterprise division is authorized to award funds from the technology enterprise fund for the purpose of establishing centers of excellence for research and technology transfer. Awards of funds shall be made on a competitive basis and shall be based upon scientific or technological merit and subsequent potential for commercial development.

B. Centers of excellence for research and technology transfer shall primarily undertake ongoing basic research and applied research and development with a focus on long-run commercial development. The centers should build upon the strengths of the state's educational institutions, national

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laboratories and private industry.

- C. The technology enterprise division shall establish a clearinghouse to provide technological transfer and technical referral services and shall fund educational institutions to establish technical information databases and industrial liaison offices that are easily accessible by both public and private sector organizations. The services provided shall include:
- (1) disseminating research and technical information:
- (2) referring clients to researchers or laboratories for the purpose of testing and evaluating new products, processes and innovations;
- (3) assisting persons developing innovations or new technology in locating enterprises or entrepreneurs that may be interested in applying innovations or new technologies; and
- (4) providing managerial assistance to enterprises requesting such assistance, but particularly to small enterprises of special importance to the New Mexico economy.
- D. The economic development department shall adopt and promulgate rules and regulations necessary to implement the provisions of this section."
- Section 5. APPROPRIATION.--Two million dollars (\$2,000,000) is appropriated from the general fund to the

technology enterprise fund in fiscal year 1998 for the purpose of implementing the provisions of Section 9-15-20 NMSA 1978. Any unexpected or unencumbered balance remaining at the end of fiscal year 1998 shall not revert to the general fund.

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