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

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; CREATING THE LOCAL JOB-CREATION GRANT PROGRAM; MAKING AN APPROPRIATION.

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

SECTION 1. [NEW MATERIAL] LOCAL JOB-CREATION GRANT PROGRAM--CREATED--PURPOSE.--The "local job-creation grant program" is created in the economic development department. The purpose of the local job-creation grant program is to stimulate job creation in New Mexico by targeting money to local economic development organizations for economic-base job-creation planning and for job-creation plan implementation.

SECTION 2. [NEW MATERIAL] PARTICIPANT ELIGIBILITY--POWERS AND DUTIES--DEFINITION.--

A. An organization whose purpose is to create jobs and promote economic development within a specific locality or

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1 region of the state may apply to the economic development  
2 department for a grant equal to eighty percent of the cost of  
3 participating in the local job-creation grant program. An  
4 organization that receives such a grant shall, in accordance  
5 with any applicable rules established by the economic  
6 development department:

7 (1) engage in a job-creation planning process  
8 in which the organization convenes individuals who,  
9 collectively, have expertise in all economic sectors to meet  
10 regularly and:

11 (a) identify the economic-base job-  
12 creation needs of the locality or region that the organization  
13 serves;

14 (b) measure the economic-base job-  
15 creation potential, by sector, for that locality or region; and

16 (c) identify and rank the impediments to  
17 realizing that economic-base job-creation potential, as  
18 classified by the need for: 1) capital investments, savings,  
19 loans and other financing mechanisms to support business  
20 startup, growth and relocation; 2) utility infrastructure and  
21 supply, including internet connectivity; 3) transportation  
22 infrastructure and services; 4) real estate, including land and  
23 commercial and residential structures; 5) changes to the  
24 taxation and regulatory systems; 6) heightened public safety;  
25 7) marketing for businesses to relocate to the locality or

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1 region; 8) personnel to negotiate with businesses considering  
2 relocating to the locality or region; and 9) local leaders  
3 instrumental in creating jobs in the locality or region;

4 (2) based on the results of that process,  
5 develop a plan to overcome the highest-ranked impediments to  
6 economic-base job creation in that locality or region;

7 (3) implement that plan;

8 (4) report to the economic development  
9 department on:

10 (a) the organization's progress toward,  
11 as outlined in this subsection: 1) conducting its job-creation  
12 planning process; 2) developing its job-creation plan; and 3)  
13 implementing that plan; and

14 (b) the number of economic-base jobs  
15 resulting from that plan's implementation;

16 (5) contribute matching funds for the grant in  
17 an amount equal to twenty percent of the cost of engaging in a  
18 job-creation planning process as set forth in Paragraph (1) of  
19 this subsection;

20 (6) use its grant award and matching funds  
21 only to engage in a job-creation planning process as outlined  
22 in Paragraph (1) of this subsection and to implement the job-  
23 creation plan as required by Paragraph (3) of this subsection;  
24 and

25 (7) return to the economic development

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1 department any portion of a grant award not timely used for  
2 engaging in a job-creation planning process as set forth in  
3 Paragraph (1) of this subsection.

4 B. As used in this section, "economic-base job"  
5 means a job in which sixty percent or more of the revenue  
6 generated from the goods or services produced derives from  
7 outside the state.

8 SECTION 3. [NEW MATERIAL] ECONOMIC DEVELOPMENT

9 DEPARTMENT--DUTIES.--In administering the local job-creation  
10 grant program, the economic development department shall:

11 A. establish an application form and solicit  
12 eligible organizations' participation;

13 B. review completed applications and select  
14 participants based on criteria established by the department;

15 C. award grants to each participant in increments  
16 based on the participant's performance of its duties as set  
17 forth in this act;

18 D. monitor and oversee each participant's  
19 compliance with its duties as set forth in this act;

20 E. provide technical assistance to each participant  
21 as needed; and

22 F. establish grant award criteria, deadlines and  
23 reporting and other rules necessary for that administration.

24 SECTION 4. APPROPRIATION.--One hundred twenty thousand  
25 dollars (\$120,000) is appropriated from the general fund to the

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1 economic development department for expenditure in fiscal year  
2 2018 for the local job-creation grant program. Any unexpended  
3 or unencumbered balance remaining at the end of fiscal year  
4 2018 shall revert to the general fund.

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