

A MEMORIAL

REQUESTING THE ECONOMIC DEVELOPMENT DEPARTMENT AND THE TAXATION AND REVENUE DEPARTMENT TO EXAMINE THE EFFECTIVENESS OF CURRENT INCENTIVES TO PROMOTE AND SUSTAIN MANUFACTURING.

WHEREAS, manufacturing is a significant source of employment and economic benefit in the state; and

WHEREAS, retaining and encouraging growth in existing manufacturing operations is as important to the state's economy as attracting new manufacturers; and

WHEREAS, there is intense competition among states and nations for manufacturers because of the number of jobs manufacturers provide and the relatively high salaries that are paid to workers in those jobs; and

WHEREAS, the state of New Mexico has historically proven to be very successful in attracting new manufacturing operations and now needs to make a substantial effort to retain these operations as important parts of the economic infrastructure; and

WHEREAS, other states and nations have become very aggressive in providing tax and other incentives to attract manufacturing operations; and

WHEREAS, New Mexico cannot afford to become complacent in reviewing and revising tax and other business incentives as it seeks to retain manufacturers in and recruit manufacturers

to New Mexico;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NEW MEXICO that the economic development department and the taxation and revenue department be requested to examine the effectiveness of current tax incentives and other incentives to attract and retain manufacturing operations to the state; and

BE IT FURTHER RESOLVED that, in conducting this examination, these departments be requested to consult with representatives of current manufacturing operations in the state, members of the general business community, tax policy experts, economists and local government officials; and

BE IT FURTHER RESOLVED that these departments be requested to report the results of their examination and their recommendations for any new legislation to the legislative finance committee and the interim revenue stabilization and tax policy committee no later than November 1, 2008; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the secretary of economic development and the secretary of taxation and revenue.