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HOUSE BILL 63

**50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012**

INTRODUCED BY

Ray Begaye

AN ACT

RELATING TO ECONOMIC DEVELOPMENT; INCREASING THE TYPES OF  
BUSINESSES THAT ARE QUALIFIED ENTITIES FOR THE PURPOSE OF THE  
LOCAL ECONOMIC DEVELOPMENT ACT; REMOVING THE PROHIBITION ON  
PUBLIC SUPPORT OF ECONOMIC DEVELOPMENT PROJECTS IN RURAL AREAS  
INVOLVING RETAIL SALES.

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

SECTION 1. Section 5-10-1 NMSA 1978 (being Laws 1993,  
Chapter 297, Section 1) is amended to read:

"5-10-1. SHORT TITLE.--~~[This act]~~ Chapter 5, Article 10  
NMSA 1978 may be cited as the "Local Economic Development  
Act"."

SECTION 2. Section 5-10-3 NMSA 1978 (being Laws 1993,  
Chapter 297, Section 3, as amended) is amended to read:

"5-10-3. DEFINITIONS.--As used in the Local Economic

underscored material = new  
[bracketed material] = delete

underscoring material = new  
~~[bracketed material] = delete~~

1 Development Act:

2 A. "arts and cultural district" means a developed  
3 district of public and private uses that is created pursuant to  
4 the Arts and Cultural District Act;

5 B. "cultural facility" means a facility that is  
6 owned by the state, a county, a municipality or a qualifying  
7 entity that serves the public through preserving, educating and  
8 promoting the arts and culture of a particular locale,  
9 including theaters, museums, libraries, galleries, cultural  
10 compounds, educational organizations, performing arts venues  
11 and organizations, fine arts organizations, studios and media  
12 laboratories and live-work housing facilities;

13 C. "department" means the economic development  
14 department;

15 D. "economic development project" or "project"  
16 means the provision of direct or indirect assistance to a  
17 qualifying entity by a local or regional government and  
18 includes the purchase, lease, grant, construction,  
19 reconstruction, improvement or other acquisition or conveyance  
20 of land, buildings or other infrastructure; public works  
21 improvements essential to the location or expansion of a  
22 qualifying entity; payments for professional services contracts  
23 necessary for local or regional governments to implement a plan  
24 or project; the provision of direct loans or grants for land,  
25 buildings or infrastructure; technical assistance to cultural

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underscoring material = new  
~~[bracketed material] = delete~~

1 facilities; loan guarantees securing the cost of land,  
2 buildings or infrastructure in an amount not to exceed the  
3 revenue that may be derived from the municipal infrastructure  
4 gross receipts tax or the county infrastructure gross receipts  
5 tax; grants for public works infrastructure improvements  
6 essential to the location or expansion of a qualifying entity;  
7 grants or subsidies to cultural facilities; purchase of land  
8 for a publicly held industrial park or a publicly owned  
9 cultural facility; and the construction of a building for use  
10 by a qualifying entity;

11 E. "governing body" means the city council, city  
12 commission or board of trustees of a municipality or the board  
13 of county commissioners of a county;

14 F. "local government" means a municipality or  
15 county;

16 G. "municipality" means an incorporated city, town  
17 or village;

18 H. "person" means an individual, corporation,  
19 association, partnership or other legal entity;

20 I. "qualifying entity" means a corporation, limited  
21 liability company, partnership, joint venture, syndicate,  
22 association or other person that is one or a combination of two  
23 or more of the following:

24 (1) an industry for the manufacturing,  
25 processing or assembling of agricultural or manufactured

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underscored material = new  
[bracketed material] = delete

1 products;

2 (2) a commercial enterprise for storing,  
3 warehousing, distributing or selling products of agriculture,  
4 mining or industry, but, other than as provided in Paragraph  
5 (5), ~~or~~ (6) or (9) of this subsection, not including any  
6 enterprise for sale of goods or commodities at retail or for  
7 distribution to the public of electricity, gas, water or  
8 telephone or other services commonly classified as public  
9 utilities;

10 (3) a business in which all or part of the  
11 activities of the business involves the supplying of services  
12 to the general public or to governmental agencies or to a  
13 specific industry or customer, but, other than as provided in  
14 Paragraph (5) or (9) of this subsection, not including  
15 businesses primarily engaged in the sale of goods or  
16 commodities at retail;

17 (4) an Indian nation, tribe or pueblo or a  
18 federally chartered tribal corporation;

19 (5) a telecommunications sales enterprise that  
20 makes the majority of its sales to persons outside New Mexico;

21 (6) a facility for the direct sales by growers  
22 of agricultural products, commonly known as farmers' markets;

23 (7) a business that is the developer of a  
24 metropolitan redevelopment project; ~~and~~

25 (8) a cultural facility; and

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underscored material = new  
[bracketed material] = delete

1                   (9) a business located in a rural area that is  
2 primarily engaged in the sale of food or commodities at retail.

3 For the purpose of this paragraph:

4                   (a) "business" means an establishment  
5 that sells food for home preparation and consumption and that  
6 meets the definition of retail food store in 7 USCA 2012(k)(1)  
7 for purposes of the federal supplemental nutrition assistance  
8 program, whether or not the establishment participates in the  
9 federal supplemental nutrition assistance program;

10                   (b) "food" means any food or food  
11 product for home consumption that meets the definition of food  
12 in 7 USCA 2012(g)(1) for purposes of the federal supplemental  
13 nutrition assistance program; and

14                   (c) "rural" means an area or location  
15 with a population less than five thousand people and falling  
16 outside of an urban area as identified by the department; and

17                   J. "regional government" means any combination of  
18 municipalities and counties that enter into a joint powers  
19 agreement to provide for economic development projects pursuant  
20 to a plan adopted by all parties to the joint powers  
21 agreement."

22                   SECTION 3. EFFECTIVE DATE.--The effective date of the  
23 provisions of this act is July 1, 2012.