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AN ACT

RELATING TO ECONOMIC DEVELOPMENT; EXPANDING THE STATEWIDE
ECONOMIC DEVELOPMENT FINANCE ACT TO INCLUDE AGRICULTURAL
ENTERPRISES.

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

SECTION 1. Section 6-25-3 NMSA 1978 (being Laws 2003,
Chapter 349, Section 3, as amended) is amended to read:

"6-25-3. DEFINITIONS.--As used in the Statewide
Economic Development Finance Act:

A. "authority" means the New Mexico finance
authority;

B. "department" means the economic development
department;

C. "community development entity" means an entity
designed to take advantage of the federal new markets tax
credit program;

D. "economic development assistance provisions"
means the economic development assistance provisions of
Subsection D of Article 9, Section 14 of the constitution of
New Mexico;

E. "project revenue bonds" means bonds, notes or
other instruments authorized in Section 6-25-7 NMSA 1978 and
issued by the authority pursuant to the Statewide Economic
Development Finance Act on behalf of eligible entities;

1 F. "economic development goal" means:

2 (1) assistance to rural and underserved
3 areas designed to increase business activity, including
4 agricultural enterprises, such as new or ongoing agricultural
5 projects that add value to New Mexico agricultural products;

6 (2) retention and expansion of existing
7 business, including agricultural enterprises, such as new or
8 ongoing agricultural projects that add value to New Mexico
9 agricultural products;

10 (3) attraction of new business, including
11 agricultural enterprises, such as new or ongoing agricultural
12 projects that add value to New Mexico agricultural products;
13 or

14 (4) creation and promotion of an environment
15 suitable for the support of start-up and emerging business,
16 including agricultural enterprises, such as new or ongoing
17 agricultural projects that add value to New Mexico
18 agricultural products within the state;

19 G. "economic development revolving fund bonds"
20 means bonds, notes or other instruments payable from the fund
21 and issued by the authority pursuant to the Statewide
22 Economic Development Finance Act;

23 H. "eligible entity" means a for-profit or not-
24 for-profit business, including an agricultural enterprise,
25 such as new or ongoing agricultural projects that add value

1 to New Mexico agricultural products and including a
2 corporation, limited liability company, partnership or other
3 entity, determined by the department to be engaged in an
4 enterprise that serves an economic development goal and is
5 suitable for financing assistance;

6 I. "federal new markets tax credit program" means
7 the tax credit program codified as Section 45D of the
8 Internal Revenue Code of 1986, as that section may be amended
9 or renumbered, and regulations issued pursuant to that
10 section;

11 J. "financing assistance" means project revenue
12 bonds, loans, loan participations or loan guarantees provided
13 by the authority to or for eligible entities pursuant to the
14 Statewide Economic Development Finance Act;

15 K. "fund" means the economic development revolving
16 fund;

17 L. "mortgage" means a mortgage, deed of trust or
18 pledge of any assets as a collateral security;

19 M. "opt-in agreement" means an agreement entered
20 into between the department and a qualifying county, a school
21 district and, if applicable, a qualifying municipality that
22 provides for county, school district and, if applicable,
23 municipal approval of a project, subject to compliance with
24 all local zoning, permitting and other land use rules, and
25 for payments in lieu of taxes to the qualifying county,

1 school district and, if applicable, qualifying municipality
2 as provided by the Statewide Economic Development Finance
3 Act;

4 N. "payment in lieu of taxes" means the total
5 annual payment, including any state in-lieu payment, paid as
6 compensation for the tax impact of a project, in an amount
7 negotiated and determined in the opt-in agreement between the
8 department and the qualifying county, the school district
9 and, if applicable, the qualifying municipality, which
10 payment shall be distributed to the county, municipality and
11 school district in the same proportion as property tax
12 revenues are normally distributed to those recipients;

13 O. "standard project" means land, buildings,
14 improvements, machinery and equipment, operating capital and
15 other personal property for which financing assistance is
16 provided for adequate consideration, taking into account the
17 anticipated quantifiable benefits of the standard project,
18 for use by an eligible entity as:

19 (1) industrial or manufacturing facilities;

20 (2) commercial facilities, including
21 facilities for wholesale sales and services;

22 (3) health care facilities, including
23 hospitals, clinics, laboratory facilities and related office
24 facilities;

25 (4) educational facilities, including

1 schools;

2 (5) arts, entertainment or cultural
3 facilities, including museums, theaters, arenas or assembly
4 halls;

5 (6) recreational and tourism facilities,
6 including parks, pools, trails, open space and equestrian
7 facilities; and

8 (7) agricultural enterprises, including new
9 or ongoing agricultural projects and projects that add value
10 to New Mexico agricultural products;

11 P. "project" means a standard project or a state
12 project;

13 Q. "qualifying municipality or county" means a
14 municipality or county that enters into an opt-in agreement;

15 R. "quantifiable benefits" means a project's
16 advancement of an economic development goal as measured by a
17 variety of factors, including:

18 (1) the benefits an eligible entity
19 contracts to provide, such as local hiring quotas, job
20 training commitments and installation of public facilities or
21 infrastructure; and

22 (2) other benefits such as the total number
23 of direct and indirect jobs created by the project, total
24 amount of annual salaries to be paid as a result of the
25 project, total gross receipts and occupancy tax collections,

1 total property tax collections, total state corporate and
2 personal income tax collections and other fee and revenue
3 collections resulting from the project;

4 S. "school district" means a school district where
5 a project is located that is exempt from property taxes
6 pursuant to the Statewide Economic Development Finance Act;

7 T. "state in-lieu payment" means an annual
8 payment, in an amount determined by the department, that will
9 be distributed to a qualifying county, a school district and,
10 if applicable, a qualifying municipality in the same
11 proportion as property tax revenues are normally distributed
12 to those recipients;

13 U. "state project" means land, buildings or
14 infrastructure for facilities to support new or expanding
15 eligible entities for which financing assistance is provided
16 pursuant to the economic development assistance provisions;
17 and

18 V. "tax impact of a project" means the annual
19 reduction in property tax revenue to affected property tax
20 revenue recipients directly resulting from the conveyance of a
21 project to the department."