



## 2020 Legislative Session Updates

As the 2020 Legislative Session is coming to a close, several New Mexico IDEA priorities are close to the finish line, while several have already made it to the Governor's desk and are awaiting her signature!

### 2 Priority Bills Headed to the Governor for Signature

Two proposals that were recommended by the [Economic Development Innovation Task Force](#), which was established by House Memorial 16, have passed both chambers and now await a signature from Governor Michelle Lujan Grisham.

Currently the State Land Office is authorized to issue direct leases to municipalities and counties for public purposes, such as economic development projects, for a term not to exceed a term of 25 years. [House Bill 176 \(Land Leases Between Local Government and State\)](#) sponsored by Representative Andrea Romero passed both chambers and is headed to the Governor's desk for signature.

The bill would change the maximum lease term to 40 years. By extending the allowable lease term, additional real estate options would become available to communities throughout New Mexico for prospective economic development projects, which would encourage the expansion of new and existing businesses, resulting in more job creation and tax revenues. The State Land Office and the Economic Development Department supported the bill throughout the process. Special thanks to Steve Vierck, Assistant Commissioner of Commercial Resources, State Land Office, who served as the expert witness in committee and during both floor debates.

[Senate Bill 118 \(Local & Regional Economic Development Support\)](#) sponsored by Senator George Munoz has passed both chambers and is headed to the Governor for signature. The bill creates the new Rural Jobs Infrastructure LEDA program. Many companies will not consider locating somewhere without a shovel-ready site. The bill addresses this issue by allowing LEDA funds to be used for rural site infrastructure to create "shovel-ready" locations for businesses. The bill also establishes the LEDA fund in statute. Both of these components were recommended by the Economic Development Innovation Task Force.

### Bills Close to the Finish Line

One week ago, the House of Representatives unanimously passed **House Bill 145 (Fire Suppression Equipment Tax Credit)** sponsored by Representative Javier

Martinez. The bill is scheduled to be heard in Senate Finance today before heading to the Senate Floor. The bill allows businesses located in designated New Mexico Main Street Districts and state authorized Arts and Cultural Districts to receive a tax credit equal to 50 percent of the total costs of installing qualified fire suppression equipment.

There has been a lot of action this week on legislation seeking to extend the availability of New Mexico's manufacturing investment tax credit. First, **Senate Bill 184 (Investment Credit Act Changes)** sponsored by Senator John Sapien unanimously passed the Senate Floor. Then the bill was heard in the House Taxation and Revenue Committee. In committee, Representative Harper proposed an [amendment](#) to the bill that added a "new manufacturer's deduction for production equipment used in a manufacturing operation, creates a new sunset for the investment tax credit, and limits new applicants for the investment tax credit to those with an industrial revenue bond approved before FY26." The [amendment](#) was adopted by the committee.

Later that afternoon, in Senate Finance, Senator John Sapien successfully [amended House Bill 326 \(Tax Changes\)](#) to include language from Senate Bill 184 that had unanimously passed the Senate Floor.

## NMIDEA Tracked Bills

Members can access the [full list of bills](#) that NMIDEA is currently tracking. The document includes bill number, synopsis, title, sponsor, committee referrals, positions, and date of scheduled hearing.

As always, please feel free to reach out to NMIDEA's lobbyist, Jason Espinoza, with any questions or comments. He can be reached at 505-417-4001 or [jespinoza.kw@gmail.com](mailto:jespinoza.kw@gmail.com)