

American Legion Auxiliary
New Mexico Girls State
Bill



Principal Author: Lindsey Johnson

Bill No: 1 Committee: F

Status:

Passed by: Committee House Senate Governor

Tabled by: Committee House Senate Governor

Other: Passed with amendment in committee – no action in House

Simple Title of Bill: Making an Appropriation for Rural Job Creation

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House BILL

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72nd SESSION – AMERICAN LEGION AUXILIARY NEW MEXICO GIRLS STATE – 2019

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INTRODUCED BY

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Lindsey Johnson

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AN ACT

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RELATING TO THE HIGH POVERTY RATE IN RURAL NEW MEXICO; PROVIDING

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GRANTS TO SMALL, LOCAL START UP BUSINESSES WITH HIGH POTENTIAL FOR

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SUCCESS IN RETURN FOR ANNUAL DONATION OF A PORTION OF BUSINESS

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PROFITS TO THEIR COMMUNITY.

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BE IT ENACTED BY THE LEGISLATURE OF THE AMERICAN LEGION AUXILIARY NEW

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MEXICO GIRLS STATE:

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SECTION 1. DEFINITIONS. - A. A "Business" refers to a small, start up business which is

1 founded and run by a resident of the rural area in which the business operates;

2 B. "local" is defined as having headquarters within the county in which the business subject

3 to the grant resides.

4 C. "rural" is to be defined as a town with a population no higher than 2,000 people.

5 SECTION 2. PROVISIONS. - The government shall give a \$80,000 grant to a business in a

6 rural area in order to increase the probability of its growth and success. This allows the

7 business to hire employees, creating more jobs to help those who suffer from poverty,

8 eventually decreasing the poverty rate of rural New Mexico. In order to be eligible for the

9 grant, the business must have a gross income of \$90,000 in its first year. This proves that

10 the business is worth investing in as a source of jobs because it can properly and efficiently

11 be managed and operate, and that there is demand for the good or service it provides. The

12 grant will then be offered to the business on the condition that the business make an

13 annual donation of 1% of its net income to a local 501 (c)3, beginning in the year the grant

14 is given and ending ten years from then, for the purpose of further helping those in poverty

15 within the rural area. The grant money must be spent either on growing the business or on

16 salaries. The money can not be used for the salaries of current employees, nor for the

17 salary of the business proprietor(s). To insure this, the business must submit annual

18 documentation of how the money was spent. The grant will only be given to a business

19 once. It can not be repeated throughout subsequent years. If the business wishes to refuse

20 the grant, they must inform the New Mexico state government within six months of the date

21 in which they receive the offer. The grant will be offered within one month of the end of the

22 business's twelfth month of operating. In order to be considered for the grant, there must be

23 possession of a business license for twelve months. A franchise within the county in which

24 the rural area resides shall not be considered for the grant under any circumstances. This

25 bill will be reevaluated for its necessity 30 years after its enactment based on

1 the rural poverty rate. The state government is to decide who the grants are given to under
2 the New Mexico Department of Economic Development.

3 SECTION 3. PENALTY. - If money provided through the grant is spent beyond the
4 limitations provided by this law, the business shall be punished by obligation to repay the
5 grant to the New Mexico State government.

6 SECTION 4. APPROPRIATION. - Two billion dollars will be set aside initially. The money
7 will come from tax revenue. Funds will go into the form of grants. The money can be
8 granted to start up businesses for eight years. Then, the need to grant more money will be
9 reevaluated. The funds will be granted in order to help business grow and provide jobs so
10 that more people may be employed, reducing the poverty rate. Any remaining money will
11 be dispersed throughout the other spending areas within the New Mexico state
12 government.

13 All laws, acts, provisions, or parts of laws contained in the Constitution of the State of New
14 Mexico in conflict with any provision of this act are hereby repealed.

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16 This act shall become effective 90 days after it's passage and approval by the American
17 Legion Auxiliary New Mexico Girls State Governor or it's otherwise becoming a law.