



Memorandum

To: Members of the New Mexico Finance Authority Oversight Committee
From: Fernando Martinez, Deputy Director
Susan Pittard, Associate Counsel
Date: October 20, 2025
Re: Rules recommended for the Local Solar Access Fund

Item:

Recommended rules governing the Local Solar Access Fund (“the Fund”) under the New Mexico Finance Authority Act (the Act).

Background:

The Fund was created in House Bill 128 which was passed by the Legislature and signed by the Governor in 2025. The Fund provides grants to plan, design, construct, purchase, install and equip solar energy systems used to power buildings and infrastructure located within New Mexico and for technical assistance to apply for federal or other funding for the same purposes. In addition, administrative costs incurred by the NMFA in carrying out the provisions of the Act are authorized to be paid.

The Act directs at least 60% of total funding to be awarded to rural eligible entities and no more than 25% of the fund shall be awarded to eligible entities within any one county.

The Rules contemplate the application process for both the Local Solar Access Technical Assistance Grants and Local Solar Access Project Grants.

The New Mexico Finance Authority Oversight Committee (“NMFAOC”) reviewed the Rules at its September 10, 2025 meeting. Since this meeting, the NMFA has consulted with the Energy, Minerals and Natural Resources Department on the Rules and has received comments from several interested stakeholders. Based on these comments, the NMFA made several changes to the Rules to address the input received. A marked-up version of the Rules is attached to show the changes incorporated.

The Technical Assistance Grants are limited to \$50,000 for the purpose of receiving technical assistance professional services supporting the application for federal or other funding to plan, design, construct, purchase install or equip Solar Energy System Projects.

The Local Solar Access Project Grants are limited to \$1,000,000 for the purpose of funding projects that consists of planning, design, construction, purchase, installation or equipment of Solar Energy Systems used to power buildings and infrastructure located within New Mexico that are owned and operated by an Eligible Entity, including necessary upgrades or repairs required to install or connect

Solar Energy Systems. There will be prioritization process conducted for each application round based on local community impact, financial need, and project location and concentration requirements.

The New Mexico Finance Authority Board will consider the approval of the Rules at its October 23, 2025 meeting.