



**Report to  
New Mexico Finance Authority  
Oversight Committee**

**Overview of the  
New Mexico Finance  
Authority**

**Marquita D. Russel, CEO**

- ❑ **Kathy Keith, Chair**
  - ❑ **Martin Suazo, Vice Chair**
  - ❑ **AJ Forte, Secretary**  
Executive Director, New Mexico Municipal League
  - ❑ **Rob Black**  
Secretary, NM Economic Development Dept
  - ❑ **Andrew Burke**
  - ❑ **Teresa Costantinidis**  
Senior Vice President for Finance & Administration  
University of New Mexico
  - ❑ **Joy Esparsen**  
Executive Director, New Mexico Counties
  - ❑ **Melanie Kenderdine**  
Secretary Designate, Energy, Minerals and Natural Resources
  - ❑ **James Kenney**  
Secretary, NM Environment Dept
  - ❑ **Ronald Lovato**
  - ❑ **Wayne Propst**  
Secretary, NM Dept of Finance & Administration
- ◆ Broad-based finance agency created in 1992 as a government instrumentality; staffed with 75 finance professionals (budgeted for 80 FTEs in FY2026 budget)
  - ◆ Governed by an 11-member independent Board
    - ❑ Approves rules, policies, and projects
    - ❑ Oversees operations and approves budget
    - ❑ Active Committee process provides high level of oversight of NMFA's diverse and complex operations
  - ◆ Expansive programming and service to New Mexico
    - ❑ Authorized to operate 27 programs through 13 Acts
    - ❑ New Mexico Finance Authority Act (§6-21-2):
      - Purpose: "...to coordinate the planning and financing of state and local public projects ... and to improve cooperation among the executive and legislative branches of state government and local governments in financing public projects."
    - ❑ Statewide Economic Development Finance Act (§6-25-6):
      - Purpose: financing projects and to achieve economic development goals of the state
  - ◆ Administrator of four other Boards and their respective committees and one Executive Task Force
  - ◆ Overseen by 24-Member NMFA Oversight Committee

# Statutory Authority

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Active?	Funded	FY	Program Name	Enabling Act	Statute	Policy Partner
✓	✓	1992	Public Project Revolving Fund	New Mexico Finance Authority Act	6-21-6.0	Legislature
✓		1994	Primary Care Capital Fund	Primary Care Capital Funding Act	24-1C-4	DOH
✓	annually	1997	Drinking Water State Revolving Loan Fund	Drinking Water State Revolving Loan Fund Act	6-21A-4	NMED
		1999	Water and Wastewater Grant Fund	New Mexico Finance Authority Act	6-21-6.3	Legislature
✓	annually	2001	Water Project Fund	Water Project Finance Act	72-4A-9	WTB/Leg
✓	✓	2002	Local Government Planning Fund	New Mexico Finance Authority Act	6-21-6.4	Various
✓		2003	Economic Development Revolving Fund (Smart Money)	Statewide Economic Development Finance Act	6-25-6.1	NMEDD
✓	✓	2003	Child Care Revolving Loan Fund	Child Care Facility Loan Act	24-24-4.0	ECECD
		2004	Acequia Project Fund	Water Project FinanceAct	72-4A-9.1	WTB/ISC/Leg
✓		2004	Behavioral Health Capital Fund	Behavioral Health Capital Funding Act	6-26-4	HCA
✓		2005	Energy Efficiency & Renewable Energy Bonding Act	New Mexico Finance Authority Act	6-21D-5	EMNRD
		2005	Local Transportation Infrastructure Fund	New Mexico Finance Authority Act	6-21-6.8	DOT
✓	✓	2006	New Markets Tax Credit	Statewide Economic Development Finance Act	6-25-6.1	FNM/NMEDD
		2007	Local Government Transportation Fund	New Mexico Finance Authority Act	6-21-6.12	DOT
✓	annually	2010	Colonias Infrastructure Project Fund	Colonias Infrastructure Finance Act	6-30-1.0	CIB
✓	✓	2011	Collateral Support Participation Program	Statewide Economic Development Finance Act	6-25-13	NMEDD
✓		2021	Essential Services Working Capital Program	Statewide Economic Development Finance Act	6-25-13	NMEDD
✓		2021	New Markets Tax Credit Small Loan Pool	Statewide Economic Development Finance Act	6-21-6.12	FNM/NMEDD
✓		2021	Small Business Recovery Loan Fund	Small Business Recovery Act of 2020	6-32-1	Legislature
		2021	New Mexico LEDA Recovery Grants	Local Economic Development Act	5-10-16	NMEDD/Leg
✓		2022	Cannabis Microbusiness Program	Statewide Economic Development Finance Act	6-25-6	RLD/NMEDD
✓	✓	2022	Venture Capital Fund	Venture Capital Program Act	6-33-3	(NMEDD)
✓	✓	2022	Charter School Facility Revolving Fund	Charter School Facility Improvement Act	6-21-6.16	(PSCOC)
✓	✓	2022	Opportunity Enterprise Revolving Fund	Opportunity Enterprise and Housing Development Act	6-34-12	OE&HDRB
✓	✓	2024	SSBCI Capital Access Program	Statewide Economic Development Finance Act	6-25-6	NMEDD
✓	✓	2024	Housing Development Revolving Fund	Opportunity Enterprise and Housing Development Act	6-34-1	OE&HDRB
✓	✓	2025	Local Solar Access Fund	Local Solar Access Fund	HB 128	EMNRD

- ❑ **Elizabeth Anderson, Chair**, NM State Engineer
  - ❑ **A.J. Forte, Vice Chair**, NM Municipal League
  - ❑ **Michael Sloane, Secretary**, NM Dept. of Game & Fish
  - ❑ **Mark Thompson, Treasurer**, Indian Affairs Dept. Appointee
  - ❑ **Greg Alpers**, Irrigation/Conservancy District - Surface Water
  - ❑ **Joy Esparsen**, New Mexico Counties
  - ❑ **Melanie A. Kenderdine**, Energy, Minerals & Natural Resources
  - ❑ **James Kenney**, NM Environment Dept
  - ❑ **Priscilla Lucero**, Environmental Community Representative
  - ❑ **Timothy McGinn**, Irrigation/Conservancy District – Ground Water
  - ❑ **Dr. Buu Nygren**, President of the Navajo Nation
  - ❑ **Wayne Propst**, NM Dept of Finance & Administration
  - ❑ **Marquita Russel**, NM Finance Authority
  - ❑ **Brent Van Dyke**, Soil & Water Conservation District
  - ❑ **Jeff Witte**, Department of Agriculture
  - ❑ Vacant, Acequia Water Users
- ◆ Created in 2001. NMFA serves as staff to the 16-member board and administers the Water Project Fund
  - ◆ Board's duties are to authorize NMFA to make loans and grants to six types of water projects: 1) Storage, conveyance or delivery of water to end users; 2) Federal Endangered Species Act implementation projects; 3) Restoration and management of watersheds; 4) Flood prevention; 5) Water conservation or recycling, treatment or reuse of water; and 6) Wastewater Projects
  - ◆ The Act created two funds:
    - ❑ Water Trust Fund, an SIC-managed permanent fund, that makes annual distributions to the Water Project Fund
    - ❑ Water Project Fund, created in the NMFA, which is used to make grants and loans recommended by the Water Trust Board and authorized by the Legislature.
      - The Water Project Fund receives annual distributions from the Water Trust Fund and a net 8.1% earmark of senior severance tax bonds
  - ◆ In 2024, the NMFA was authorized to use Water Project Funds to pay for technical assistance and capacity development. The WTB and NMFA have approved two uses of these fund: 1) facilitation of regionalization and 2) small-system planning

### Seven Voting Members

- ❑ **Mary Kay Papen, Chair**  
Senate President Pro-Tempore Appointee
- ❑ **Janice Baca Argabright, Vice Chair**  
Minority Leader of the Senate Appointee
- ❑ **Marquita Russel, Secretary**, NM Finance Authority
- ❑ **James Kenney**, NM Environment Department
- ❑ **Wayne Propst**, NM Department of Finance & Administration
- ❑ **Rebecca Dow**, Minority Leader of the House Appointee
- ❑ **Jose Luis Segura**, Speaker of the House Appointee

### Five Advisory (Non-Voting) Members

- ❑ **Priscilla Lucero**, Southwest NM Council of Governments
- ❑ **Jay Armijo**, South Central Council of Governments
- ❑ **Dora Batista**, Southeastern NM Economic Development District
- ❑ **Joy Esparsen**, New Mexico Counties
- ❑ **Isidoro Hernandez**, NM Mortgage Finance Authority

- ◆ Created in 2010; NMFA staffs the 12-member board and administers the Colonias Infrastructure Project Fund
- ◆ Colonias is defined in statute as a rural community with a population of 25,000 or less located within 150 miles of the US – Mexico border that has been designated a Colonia by a municipality or county due to a lack of potable water, adequate sewage systems, and decent safe and sanitary housing. Must provide documentation that the conditions existed prior to November 1990
- ◆ Colonias Infrastructure Fund provides funding delivered as 90% grant/10% loan to local governments for a variety of infrastructure projects:
  - ❑ Water
  - ❑ Wastewater
  - ❑ Solid Waste Disposal
  - ❑ Flood Control
  - ❑ Housing
  - ❑ Roads
- ◆ There are 171 Colonias within New Mexico's 12 southern-most counties

- ❑ **Joe Farr, Chair**  
Duke City Commercial, Albuquerque
  - ❑ **Nicole Martinez, Vice Chair**  
Mesilla Valley Community of Hope, Las Cruces
  - ❑ **Rob Black, Secretary**  
NM Economic Development Department
  - ❑ **Mackenzie Bishop**  
Abrazo Homes, Albuquerque
  - ❑ **Brian Condit**  
NM Building & Construction Trades Council, Albuquerque
  - ❑ **Dominic Garcia**  
CBRE Investment Management, Santa Fe
  - ❑ **Jennifer Garcia Kozlowski, Vice Chair**  
Boy & Girls Club of Las Cruces, Las Cruces
  - ❑ **Isidoro Hernandez**  
Housing New Mexico (NM Mortgage Finance Authority)
  - ❑ **Priscilla Lucero**  
Executive Director of SWNMCOG
  - ❑ **Laura Montoya**  
NM State Treasurer
  - ❑ **Wayne Propst**  
NM Department of Finance & Administration
  - ❑ **Lorin Saavedra**  
REDW, Albuquerque
  - ❑ **Anna Silva**  
NM General Services Department
  - ❑ **Vacant** One Commercial Development Member
- ◆ Created in 2022, the Opportunity Enterprise Act (the “Act”) provides a partnership and funding program to support local communities in building and investing in commercial spaces to directly support their economic development initiatives.
  - ◆ The Act was amended during the 2024 Legislative Session to add a new fund that supports workforce housing and expands the 12-member Board to 14.
  - ◆ Pursuant to the amended Act, the NMFA may make loans to private entities recommended by the OE Board for projects where other means of financing are unavailable or insufficient.
    - ❑ Opportunity Enterprise Revolving Fund for projects that NMFA determines is or will be engaged in an enterprise that creates or expands economic development opportunities within the state. Projects must advance an environmentally sustainable economic development goal of the state.
    - ❑ Housing Development Revolving Fund for workforce housing projects and infrastructure supporting affordable housing projects.

### Comprised of Business Leaders across the state:

- ❑ **Dr. Neil Bowen**  
Silver City, Behavioral Health Professional
- ❑ **Barbara Brazil**  
Albuquerque, Retired State Economic Development
- ❑ **Brent Jaramillo**  
Questa, Taos County Manager
- ❑ **Tom Overstreet**  
Alamogordo, Attorney
- ❑ **Mary Kay Papen**  
Las Cruces, Retired State Senator, Businesswoman
- ❑ **Dan Silva**  
Albuquerque, Retired State Representative, Businessman
- ❑ **Dr. Sandra Taylor-Sawyer**  
Clovis, Business Consultant, Retired SBDC Director
- ❑ **Jerry Walker**  
Farmington, Retired State Representative, Businessman
- ❑ **Vacancy**

- ◆ Nine-member advisory board appointed by NMFA Board
- ◆ Provides advice to the NMFA Board on Finance New Mexico's mission to serve low-income persons and low-income communities
  - ❑ Reviews and recommends policies governing the New Markets Tax Credit Program
  - ❑ Reviews and recommends in priority order projects to NMFA
  - ❑ Reviews and recommends project-specific quantifiable metrics to be included in a project benefit agreement
- ◆ To maintain accountability to serving low-income persons and communities, federal guidelines require an Advisory Board that is comprised with at least 20% members:
  - ❑ Being a resident of a low-income community;
  - ❑ Being a low-income person; or
  - ❑ Working for an organization that predominantly serves low-income persons
- ◆ Maintaining an active, qualified advisory board is a compliance item for being in good standing as a Community Development Entity

New Mexico's partner in building economic prosperity and stronger communities

NMFA improves the quality of life for New Mexicans by providing financing for infrastructure, capital equipment, and economic development projects to communities and businesses throughout the state.

- ◆ Programs that are accessed through NMFA
  - ❑ Public Project Revolving Fund
  - ❑ Local Government Planning Fund
  - ❑ Charter School Fund
  
- ◆ Programs that are accessed through annual competitive application rounds
  - ❑ Federal Drinking Water State Revolving Fund (in partnership with NMED Drinking Water Bureau)
  - ❑ Water Project Fund (through Water Trust Board)
  - ❑ Colonias Infrastructure Project Fund (through Colonias Infrastructure Board)

- Opportunity Enterprise – Commercial Development
- Opportunity Enterprise – Housing Development
- State Small Business Credit Initiative (SSBCI)
- Venture Capital Program
- Energy Efficiency Revolving Loan Fund
- New Markets Tax Credit Program
- Smart Money Business Loan Participation Program
- Primary Care Capital Fund / Behavioral Health Capital Fund
- Small Business Recovery Loan Fund

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- ◆ Programs that are accessed through financial institution partners
  - ❑ SSBCI Loan Partnership Program
  - ❑ SSBCI Capital Access Program
  
- ◆ Programs that are accessed through periodic competitive application rounds
  - ❑ Opportunity Enterprise Commercial Development (through Opportunity Enterprise & Housing Development Review Board)
  - ❑ Opportunity Enterprise Housing Development (through Opportunity Enterprise & Housing Development Review Board)
  - ❑ New Markets Tax Credit program (through Finance New Mexico LLC Advisory Board) – *funding currently not available*
  
- ◆ Programs that are accessed through State partners (dependent on fund availability)
  - ❑ Energy Efficiency Revolving Loan Fund (Energy Minerals and Natural Resources Department)
  - ❑ Child Care Revolving Loan Fund (Early Childhood Education and Care Department) – *beginning in August 2025*
  - ❑ Primary Care Capital Program (Department of Health) – *funding currently not available*
  - ❑ Behavioral Health Capital Fund (Health Care Authority) – *funding currently not available*

- ◆ PPRF makes low-cost loans to State, local and Tribal governments to finance public projects
  - ❑ Borrowers receive the PPRF's 'AAA' interest rates regardless of the borrower's credit or size
  - ❑ NMFA's approval includes a 90-day interest rate cap
  - ❑ No fees since; NMFA absorbs underwriting, rating and other issuance costs, and produces the Official Statements, resulting in savings of time, effort, and costs to the borrower
  - ❑ Applications accepted monthly
- ◆ In addition to low 'AAA' interest rates, clients with Median Household Incomes ("MHI") below the State's MHI may receive up to \$500,000 annually in Disadvantaged Entity Funding on loans of less than \$5 million:
  - ❑ Clients with an MHI between 80% - 100% of the State MHI may receive 2% interest rate and Clients with an MHI that is less than 80% of the State MHI may receive 0% interest
  - ❑ Equipment loans may receive up to \$150,000 in disadvantaged funding
  - ❑ Infrastructure and building loans may receive 10% of the PPRF loan in disadvantaged funding
- ◆ The PPRF has never been stronger. Conservatively managed program has resulted in stable bond coverage and no defaults/delinquencies in the PPRF's 30+-year lending history
- ◆ PPRF's strength has allowed NMFA to create a junior lien within the PPRF bond program to extend the benefits of the PPRF to Qualified Entities that have not enjoyed access to the PPRF because of credit considerations:
  - ❑ Nonprofit Housing Developers
  - ❑ Public Improvement Districts
  - ❑ Charter Schools
  - ❑ Land Grants
  - ❑ Rural Electric Coops

- ◆ Since 2020, NMFA's programs have grown substantially in number and variety
  - 7 new legislatively created programs
    - Small Business Recovery Loan Fund
    - New Mexico LEDA Recovery Grants
    - Venture Capital Fund
    - Charter School Facility Revolving Fund
    - Opportunity Enterprise Revolving Fund
    - Housing Development Revolving Fund
    - Solar Access Fund
  - 4 programs offered with State Partners
    - Federal CARES Recovery Grants
    - Federal ECECD Supply Building Grants
    - Federal ECECD Stabilization Grant
    - Energy Efficiency Revolving Loan Fund (EMNRD)
  - 3 program expansions
    - Essential Services Working Capital Program
    - New Markets Tax Credit Small Loan Pool
    - Cannabis Microbusiness program
    - SSBCI Capital Access Program
- ◆ Since 2020, NMFA's Water Programs have received significant increases in funding
  - Water Project Fund (Water Trust Board)
    - 60% of the nearly \$1 billion in WTB awards
    - \$68 million in 2025 applications yet to be considered
    - \$268 million in special appropriations in 2024 and 2025
  - More than \$100 million Drinking Water State Revolving Loan project loan and grant funds received from annual and special federal capitalization awards
    - Regular SRF Program: \$34.3 million
    - Supplemental SRF Funding: \$42 million
    - Lead Service Line Replacement: 15.3 million
    - Emerging Contaminants Grants: \$12.3 million
  - Colonias Infrastructure Project Fund
    - 72% of the nearly \$356 million in awards has occurred since 2020
    - \$12.5 million yet to be awarded in 2025

- ◆ **SB 115 - PPRF Authorization Bill** (Sen. Michael Padilla, Reps. Joy Garratt and Patty Lundstrom) authorized 200 entities to access the Public Project Revolving Fund. Passed unanimously by both chambers. Signed April 7th by Gov. Lujan Grisham.
- ◆ **HB 41 - PPRF Appropriation Bill (Rep. Kathleen Cates)** appropriates \$13.26 million from the PPRF to three different funds: Drinking Water State Revolving Fund (\$6.25 million), Local Government Planning Fund (\$2 million), and Cultural Affairs Facility Fund (\$5 million). Passed through both chambers with only one negative vote (Senate Conservation). Signed April 7th by Gov. Lujan Grisham.
- ◆ **HB 206 - WTB Authorization Bill** (Reps. Susan Herrera, Patty Lundstrom, Raymundo Lara, Kristina Ortez, Martin Zamora), authorizes NMFA to make loans and grants from the Water Project Fund to 62 entities for 84 projects recommended by the Water Trust Board. Passed unanimously by both chambers. Signed April 7th by Gov. Lujan Grisham. HB 2 contained an additional \$200 million for projects authorized by the Legislature in 2025 and 2026.
- ◆ **HB 240 – Drinking Water System Grants & Loans** (Reps. Susan Herrera, Kristina Ortez, Dayan Hochman-Vigil, Anita Gonzales, and Sarah Silva) – Makes changes to the Drinking Water State Revolving Loan Fund Act to conform with federal Safe Drinking Water Act. Primary changes includes allowing NMFA to makes grants from the federal dollars and to extend the terms of Drinking Water loans by 10 years. Passed unanimously by both chambers. Signed April 8th by Gov. Lujan Grisham.
- ◆ **HB 196 – Health Care Fund Purpose Funding** (Rep. Joy Garratt) - \$60 million in total appropriations to the Primary Care Capital Fund, Behavioral Health Capital Fund and Child Care Revolving Fund. Tabled in House Appropriations. \$10 million in HB 2 for Child Care Revolving Fund.

- ◆ **HB 128 – NMFA Solar Access Fund** (Rep. Reena Szczepanski, Patricia Roybal Caballero, Tara Lujan, Joseph Hernandez, and Sen. Harold Pope) – Creates in the NMFA the non-reverting fund from which NMFA may make grants to counties, municipalities, school districts, land grants-Mercedes, and tribal governments for solar energy systems to power public buildings and infrastructure. HB 2 contained a \$20 million appropriation to capitalize the fund.
- ◆ **SB 170 – Housing Fund & Changes** (Sen. Michael Padilla, Reps. Joy Garratt, Joshual Hernandez, and Meredith Dixon) Creates a predictable process for utilities to pre-deploy electric infrastructure to certain economic development sites. Adds rural electric coop as a PPRF eligible entity and suspends until June 30, 2028 the requirement that NMFA receive specific legislative authorization prior to making a PPRF loan.
- ◆ **SB 175 – Employer Child Care Programs** (Sen. Heather Berghmans, Rep. Linda Serrato) amends the Child Care Facility Loan Act to expand its use to allow NMFA and ECECD to contract for services with child care providers or employers seeking to create or expand child care for its employees. HB 2 contained a \$10 million to capitalize the fund.
- ◆ **SB 197 – EMS System Improvement Project Funding** (Sen. Pete Campos, Rep. Harlan Vincent) amends the Municipal and County Bond Revenue acts and the Emergency Medical Service Act to allow emergency medical services fund distributions to be pledged to NMFA to repay loans.
- ◆ **HB 19 (Trade Ports Development Act)** and **SB 169 (Strategic Economic Development Site Readiness)** creates committees to which the NMFA CEO is appointed.

**What can NMFA do for your community?**

Whether you have the need for improved infrastructure, water system upgrades, road projects, fire and law enforcement equipment, healthcare facilities, economic development or other needs, NMFA is here for you. With mission-based financing that provides low interest rates and no fees, NMFA will help your community become stronger, safer, and more prosperous.

Give us a call at (505) 984-1454 or email [Lending@nmfa.net](mailto:Lending@nmfa.net) to find out what NMFA can do for you.

**Financing Programs**

<p><b>Public Project Revolving Fund (PPRF)</b></p> <p>Public Project Revolving Fund financing for municipalities, schools, and other entities.</p>	<p><b>Business Financing</b></p> <p>Providing greater access to capital for businesses throughout New Mexico, including Opportunity Enterprise loans for housing development and commercial development.</p>	<p><b>Water Projects Financing</b></p> <p>Financing through the Water Project Fund and Drinking Water State Revolving Loan Fund.</p>	<p><b>Colonias Financing</b></p> <p>Financing for Colonias communities' infrastructure and water needs.</p>	<p><b>Planning Grants</b></p> <p>Grants for communities to assess their needs and plan future projects.</p>
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**Impact**

The mission of the New Mexico Finance Authority is to be New Mexico's partner in building economic prosperity and stronger communities. Through its flagship Public Project Revolving Fund, NMFA has made over 2,200 loans totaling approximately \$5.0 billion since the inception of the program through June 30, 2024.

**NMFA Strategic Plan**

In 2024, NMFA Board of Directors and staff members created a new strategic plan to guide the activities of the organization over the next three years. We invite you to read the [2025-2027 Strategic Plan](#) here.



◆ This interim, NMFA will report on agency initiatives, programs in development, programs with recently expanded capacity, and other statutorily required reports.

◆ NMFA Organizational Overview & Initiatives

- 2025-2027 Strategic Plan
- Integrated Business Application Project
- Records & Data Management Project

◆ Programs in Development:

- Child Care Facility Revolving Fund
- Charter School Facility Revolving Fund
- Solar Access Fund

◆ Expanded Capacity:

- Public Project Revolving Fund
  - Amended Rules
- Water Project Fund
  - Technical Assistance Program
  - Wastewater
- Drinking Water State Revolving Loan Fund

◆ Statutorily Required Reports:

- Water Trust Board
- Colonias Infrastructure Board
- Opportunity Enterprise and Housing Development Review Board
- Economic Development Revolving Fund
- Venture Capital Program
- Report of Public Securities Issued Utilizing Delegated Authority
- Small Business Recovery Loan Fund

*New Mexico's partner in building economic prosperity and stronger communities.*



**New Location as of June 23, 2025**

810 W. San Mateo Rd.  
Santa Fe, NM 87505  
505-984-1454