

**MINUTES
of the
THIRD MEETING
of the
INVESTMENTS AND PENSIONS OVERSIGHT COMMITTEE**

**August 5, 2026
State Capitol, Room 322
Santa Fe**

The third meeting of the Investments and Pensions Oversight Committee (IPOC) for the 2026 interim was called to order by Senator Roberto "Bobby" J. Gonzales, vice chair, on Wednesday, August 5, 2026, at 10:07 a.m. in Room 322 of the State Capitol in Santa Fe.

Present

Rep. Cynthia Borrego, Chair
Sen. Roberto "Bobby" J. Gonzales, Vice Chair
Rep. Mark Duncan
Sen. Natalie Figueroa
Rep. Tara L. Lujan
Sen. Antoinette Sedillo Lopez
Sen. Elizabeth "Liz" Stefanics
Sen. Pat Woods

Absent

Rep. William A. Hall II
Rep. Linda Serrato
Rep. Sarah Silva

Advisory Members

Rep. Stefani Lord
Sen. Anthony L. Thornton

Rep. Gail Armstrong
Sen. George K. Muñoz
Rep. Patricia Roybal Caballero
Sen. Mimi Stewart

Staff

Paul Estok, Staff Attorney, Legislative Council Service (LCS)
Carrie McGovern, Publication and Editing Coordinator, LCS
Jordan Moats, Bill Drafter, LCS
Clinton Turner, Fiscal Policy Analyst, LCS
Cristina Vasquez, Staff Attorney, LCS

Guests

The guest list is in the meeting file.

Handouts

Copies of all handouts and written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

Wednesday, August 5

Welcome and Introductions (10:07 a.m.)

Senator Gonzales welcomed everyone to the meeting, and committee members and staff introduced themselves.

Approval of Minutes (10:11 a.m.)

On a motion duly made and seconded and with no opposition, the minutes of the July 1-2, 2026 IPOC meeting were approved as submitted.

Update on Senate Memorial 31 (2026) Work Group (10:12 a.m.)

Joseph Simon, principal analyst, Legislative Finance Committee (LFC), provided an update on the work group created by the LFC as a result of the passage of Senate Memorial 31 in the 2026 session. Senate Memorial 31 requests the work group to study the Public Employees Retirement Association (PERA) pension fund, changes to the cost-of-living adjustment and fund solvency. Mr. Simon said the work group held its first meeting on August 4, 2026, during which a number of PERA retirees made public comment regarding their concerns.

Update from the Small Business Development Corporation (SBIC) (11:11 a.m.)

Russell Cummins, executive director and investment advisor, SBIC, presented an update on the SBIC, noting that since it was formed in 2001, the SBIC has originated 7,456 loans, for a total of \$324.3 million and 26,602 jobs supported, and it currently has \$225 million in assets. While the SBIC made venture capital equity investments in the past, it is now focused on expanding its small business lending program, which appears to have a more meaningful impact on jobs and the state's economy. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=8/5/2026&ItemNumber=2>.

Economic Development Funding as Strategic State Investment (12:22 p.m.)

Isaac Romero, deputy secretary, Economic Development Department (EDD), described how funding for economic development programs can be a strategic state investment. For example, funding allocated to Local Economic Development Act projects has resulted in 7,306 jobs created, \$17.06 billion in economic output and \$453 million in payroll, while funding for the Job Training Incentive Program has helped to create 1,300 new jobs with an average hourly wage of \$28.44. Also, the recently created Technology and Innovation Division of the EDD is

focused on attracting industries specializing in quantum technologies, advanced energy and aerospace and defense. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=8/5/2026&ItemNumber=3>.

LFC: General Fund Reserves Overview (1:35 p.m.)

Brendon Gray, economist, LFC, gave an overview of General Fund reserves, the primary purpose of which is to backfill General Fund revenues during short-term economic downturns, act as an overflow for nonrecurring revenues and catch surpluses. Mr. Gray described the different components of the reserves, including the Tax Stabilization Reserve, which acts as the state's emergency savings account and is the state's main source of liquidity in a downturn; the General Fund Operating Reserve, which is the first line of defense in a downturn and is most comparable to a checking account; the Appropriation Contingency Fund and the State-Support Reserve Fund; and the Behavioral Health Trust Fund and the Government Results and Opportunity Expendable Trust, both of which are temporary reserve funds. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=8/5/2026&ItemNumber=4>.

New Mexico Finance Authority (NMFA): Venture Capital Program Overview and Update (2:48 p.m.)

Fernando Martinez, deputy director, NMFA; Rick Herrman, senior capital strategist, NMFA; and Antoinette Vigil, managing director, community and economic development, NMFA, presented an overview and update regarding the NMFA's Venture Capital Program. According to the presenters, the program currently administers \$75.5 million in funding from three different funding sources, and in 2026, the NMFA has committed \$58 million to 11 venture private equity funds and \$10 million to the State Investment Council, leaving \$7.5 million available for investment. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=8/5/2026&ItemNumber=5>.

Public Comment (3:30 p.m.)

A list of individuals making public comment is available in the meeting file.

Adjournment

There being no further business before the committee, the meeting adjourned at 3:54 p.m.