

**MINUTES
of the
FIFTH MEETING
of the
NEW MEXICO FINANCE AUTHORITY OVERSIGHT COMMITTEE**

**November 1-2, 2023
State Capitol, Room 307
Santa Fe**

The fifth meeting of the New Mexico Finance Authority Oversight Committee for the 2023 interim was called to order by Representative Joy Garratt, chair, on Wednesday, November 1, 2023, at 9:43 a.m. in Room 307 of the State Capitol in Santa Fe.

Present

Rep. Joy Garratt, Chair
Sen. Michael Padilla, Vice Chair
Rep. Jack Chatfield
Rep. Harry Garcia
Sen. Ron Griggs
Rep. Susan K. Herrera
Rep. Patricia A. Lundstrom
Sen. Nancy Rodriguez
Rep. Patricia Royal Caballero
Rep. Linda Serrato (11/1)
Rep. Luis M. Terrazas (11/1)
Rep. Elizabeth "Liz" Thomson (11/1)

Advisory Members

Rep. Kathleen Cates
Rep. Art De La Cruz
Rep. Tara L. Lujan
Sen. Shannon D. Pinto (11/2)
Rep. Andrea Romero

Absent

Rep. John Block
Sen. Joseph Cervantes
Sen. David M. Gallegos
Sen. Siah Correa Hemphill
Rep. Joshua N. Hernandez
Sen. Daniel A. Ivey-Soto
Rep. D. Wonda Johnson
Rep. Willie D. Madrid

Rep. Ambrose Castellano
Rep. Eleanor Chávez
Rep. Dayan Hochman-Vigil
Rep. T. Ryan Lane
Rep. Greg Nibert
Rep. Kristina Ortez

(Attendance dates are noted for those members not present for the entire meeting.)

Staff

Sabina Gaynor, Staff Attorney, Legislative Council Service (LCS)
Clinton Turner, Research and Fiscal Policy Analyst, LCS
Patrick Falance, Committee Coordinator, LCS

Minutes Approval

Because the committee will not meet again this year, the minutes for this meeting have not been officially approved by the committee.

Guests

The guest list is in the meeting file.

Handouts

Handouts and other 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 recorded 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, November 1

Welcome and Introductions (9:45 a.m.)

Representative Garratt welcomed everyone and asked members of the committee to introduce themselves.

Legislative Oversight of Administrative Agency Rules (10:11 a.m.)

Rick Hendricks, Ph.D., state records administrator, State Records Center and Archives, State Commission of Public Records, and Matthew Ortiz, director, Administrative Law Division, State Records Center and Archives, State Commission of Public Records, provided a presentation on the State Rules Act and legislative oversight of administrative agency rulemaking. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=11/1/2023&ItemNumber=1>.

Approval of Rules Governing the Capital Access Loan Guarantee Program from the Economic Development Revolving Fund; Approval of Amended and Restated Rules Governing Loan Participations from the Economic Development Revolving Fund; and Approval of Amended and Restated Rules Governing Direct Lending Activities (10:21 a.m.)

Marquita Russel, chief executive officer (CEO), New Mexico Finance Authority (NMFA), and Ryan Marie Decker, policy and capital strategist, NMFA, provided a presentation on various rules proposed by the NMFA. On a motion made and seconded, the committee subsequently approved these rules. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=11/1/2023&ItemNumber=2>.

Approval of Minutes (11:18 a.m.)

Upon a motion made and seconded, the committee approved the minutes from the October 5, 2023 meeting.

Local Government Planning Fund (11:20 a.m.)

Michael Vonderheide, managing director, Public Programs, NMFA, and Ms. Russel provided a presentation on the administration of the Local Government Planning Fund. The presentation can be found here:

<https://www.nmlegis.gov/handouts/NMFA%20110123%20Item%203%20Local%20Government%20Planning%20Fund.pdf>.

Public-Private Partnerships (1:34 p.m.)

Ricky Serna, secretary, Department of Transportation; Ms. Russel; Representative Lundstrom; Ryan Mast, infrastructure partner and senior advisor, Sustainability Partners, LLC; and Alex Trujillo, technical assistant manager and first broadband technical fellow, Office of Broadband Access and Expansion, presented on public-private partnerships and future legislation.

Local Economic Development Act Annual Report (3:02 p.m.)

Adam K. Johnson, chief of operations innovation, NMFA, provided a presentation on the Local Economic Development Act annual report. The presentation can be found here:

<https://www.nmlegis.gov/handouts/NMFA%20110123%20Item%205%20LEDA%20Nov%202023%20NMFAOC%20Report.pdf>.

Outline of Needed NMFA Program Discontinuations (3:20 p.m.)

Ms. Russel provided a presentation on NMFA programs that are no longer functioning and necessary statutory repeals and amendments. The presentation can be found here:

<https://www.nmlegis.gov/handouts/NMFA%20110123%20Item%206%20Potential%20Legislative%20Changes.pdf>.

Recess

The meeting recessed at 3:49 p.m.

Thursday, November 2**Reconvene**

The meeting reconvened at 9:13 a.m.

New Mexico Mortgage Finance Authority (MFA) Housing Programs (9:15 a.m.)

Isidoro "Izzy" Hernandez, executive director and CEO, MFA, and Robyn Powell, director of policy and planning, MFA, provided a presentation on MFA housing programs. The presentation can be found here:

<https://www.nmlegis.gov/handouts/NMFA%20110123%20Item%207%20MFA%20Update%20Nov%202.pdf>.

Consideration of Legislation for Endorsement (10:06 a.m.)

Ms. Russel presented the NMFA's proposed legislation for endorsement. The presentation can be found here:

<https://www.nmlegis.gov/handouts/NMFA%20110123%20Item%208%20Summary%20of%20Endorsements.pdf>.

Upon a motion made and seconded, the committee unanimously voted to endorse the following legislation:

- authorizing the NMFA to make loans for public projects from the Public Project Revolving Fund (226723.3SA);
- authorizing the NMFA to make loans or grants from the Water Project Fund for certain water projects (226725.1SA);
- making appropriations from the Public Project Revolving Fund to the Drinking Water State Revolving Loan Fund, Local Government Planning Fund and Cultural Affairs Facilities Infrastructure Fund (226724.1SA); and
- making appropriations to the Behavioral Health Capital Fund, Primary Care Capital Fund and Child Care Facility Revolving Loan Fund (226679.1).

Additionally, the committee discussed making a future appropriation to the Water Project Fund and other legislative measures to adequately fund the Water Project Fund.

Adjournment

There being no further business before the committee, the meeting adjourned at 11:29 a.m.