

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

**July 20-21, 2026
Math and Science Building, Classrooms 36 and 37
Diné College Shiprock South Campus
1316 College Drive
Shiprock**

The second meeting of the New Mexico Finance Authority Oversight Committee was called to order by Senator Michael Padilla, chair, on Monday, July 20, 2026, at 11:01 a.m. in Classrooms 36 and 37 of the Math and Science Building of Diné College Shiprock South Campus in Shiprock.

Present

Sen. Michael Padilla, Chair
Rep. Joy Garratt, Vice Chair
Rep. Michelle Paulene Abeyta
Rep. D. Wonda Johnson (7/20)
Rep. Tara L. Lujan (7/20)
Sen. Gabriel Ramos (7/20)
Rep. Luis M. Terrazas (7/20)

Absent

Rep. John Block
Rep. Cynthia Borrego
Sen. Craig W. Brandt
Rep. Kathleen Cates
Rep. Jack Chatfield
Rep. Meredith A. Dixon
Rep. Angelita Mejia
Sen. Micaelita Debbie O'Malley
Rep. Kristina Orteiz
Rep. Patricia Roybal Caballero

Advisory Members

Sen. Steve D. Lanier (7/20)
Rep. Debra M. Sariñana

Rep. Susan K. Herrera
Rep. Stefani Lord
Rep. Andrea Romero
Rep. Sarah Silva
Sen. Nicole Tobiassen

Guest Legislator

Rep. Joseph Franklin Hernandez (7/20)

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

Staff

Sabina Gaynor, Staff Attorney, Legislative Council Service (LCS)
Lisa Morrison, Staff Attorney, LCS
Joanne Montague, Senior Legislative Librarian, LCS

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 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.

Monday, July 20

Welcome and Introductions (11:01 a.m.)

Senator Padilla welcomed committee members, and individual members of the committee introduced themselves.

Statewide Economic Development Finance Act (SWEDFA) Updates: Smart Money, State Small Business Credit Initiative, Essential Services and Cannabis (11:05 a.m.)

Marquita Russel, chief executive officer, New Mexico Finance Authority (NMFA), provided a summary of the SWEDFA and raised a concern about the requirement to get authorizations prior to processing direct loans. She also said that the temporary suspension expires next year. John Brooks, chief of programs, NMFA, discussed the Economic Development Revolving Fund (EDRF) report, including subaccounts under the EDRF, and provided information on the federal Energy Efficiency Revolving Loan Fund (EERLF), Essential Services Working Capital Program, Cannabis Microbusiness Program and State Small Business Credit Initiative Loan Participation Program. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/20/2026&ItemNumber=1>.

Proposed Revisions to the Rules Governing the Economic Development Bond Program Under the SWEDFA (11:54 a.m.)

Ms. Russel proposed revisions to the rules governing the Conduit Project Revenue Bonds Program under the SWEDFA. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/20/2026&ItemNumber=2>.

SWEDFA Legislative Authorization Exemption (12:27 p.m.)

Ms. Russel provided a summary of the recommended changes to the SWEDFA, including eliminating the prior legislative authorization for projects funded from the EDRF. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/20/2026&ItemNumber=3>.

Water Project Finance Act Updates (1:08 p.m.)

Ms. Russel and Donnie Quintana, managing director of project oversight, NMFA, provided an update on Water Trust Board activities and highlighted policy changes to reduce barriers to access. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/20/2026&ItemNumber=4>.

NMFA Climate Sustainability and Natural Resource-Related Projects, Financing Programs and Investment (1:53 p.m.)

Fernando Martinez, Jr., deputy director, NMFA, discussed the Local Solar Access Fund's mission, objectives and eligibility and the EERLF. He highlighted that the NMFA oversees the loan and the Energy, Minerals and Natural Resources Department oversees the program. He also discussed the Energy Efficiency and Renewable Energy Bonding Act, which he indicated helps state agencies and schools implement energy efficiency measures at lower costs; the Drinking Water State Revolving Loan Fund, which is a partnership with the NMFA and the Department of Environment; and the Water Trust Board, which allows for project types eligible for consideration of financial assistance that include water conservation or recycling, treatment or water reuse projects. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/20/2026&ItemNumber=5>.

Overview of the City of Farmington's Current Drinking Water Projects (3:19 p.m.)

Benedikte Webb, operations, maintenance and environmental administrator, City of Farmington, explained that the United States Environmental Protection Agency (EPA) requires the replacement of lead and copper lines and that the City of Farmington is responsible to the property line and the landowner is responsible from the property line to the home. She highlighted various projects with the City of Farmington to remove lead and copper lines per the EPA requirement. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/20/2026&ItemNumber=6>.

Recess

The meeting recessed at 3:55 p.m.

Tuesday July 21**Reconvene**

The meeting reconvened at 9:15 a.m.

Venture Capital Updates (9:15 a.m.)

Ms. Russel provided a background and summary of the Venture Capital Program Fund 2025 Annual Report and highlighted the objectives, which are to expand New Mexico businesses

and jobs and to invest in diverse sectors and increase capital for underserved communities. She also provided case examples. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/20/2026&ItemNumber=7>.

Overview of the NMFA's Strategic Plan 2025-2027 (9:50 a.m.)

Ms. Russel provided a progress report on the NMFA's 2025-2027 Strategic Plan. She highlighted that the NMFA provides capital to assist policy partners as they receive funding from the federal government and assists the policy partners with using the funding. She also said that the NMFA's most important objective is to combine data systems, and the NMFA now has a roadmap to accomplish that goal. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/20/2026&ItemNumber=8>.

Public Project Revolving Fund Delegation Report (10:45 a.m.)

Ms. Russel provided an overview of the Public Project Revolving Fund and securities delegation report. She mentioned that in 2018, the legislature allowed the NMFA to have delegating authority on bond resolutions, and she highlighted that the Public Project Revolving Fund makes low-cost loans to state, local and tribal governments to finance public infrastructure and equipment, such as fire trucks. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/20/2026&ItemNumber=9>.

Public Comment

There was no public comment.

Adjournment

There being no further business before the committee, the meeting adjourned at 10:59 a.m.