A MEMORIAL
REQUESTING THE LEGISLATIVE FINANCE COMMITTEE TO UNDERTAKE A
STUDY OF WAYS IN WHICH THE RESOURCES OF THE NEW MEXICO FINANCE
AUTHORITY MIGHT BE MADE MORE ACCESSIBLE TO PERSONS AND
BUSINESSES IN NEW MEXICO, INCLUDING THE OPTION OF FORMING A
STATE-OWNED BANK.

WHEREAS, small businesses in New Mexico have many of the
same problems experienced by small businesses in other states
in obtaining start-up financing; and

WHEREAS, with two national laboratories and three research
universities located in New Mexico, there is a potential for
new businesses in the technology transfer sector, but efforts
to start up such businesses are hampered by a lack of venture
capital in New Mexico; and

WHEREAS, there are many farmers in New Mexico who are
getting older and want to retire, but younger individuals and families interested in agriculture cannot obtain the necessary financing to purchase farming operations; and

WHEREAS, in 1919, North Dakota founded the bank of North Dakota, a state-owned bank that provides lending programs to promote agriculture, commerce and industry and stimulate economic development; and

WHEREAS, in 2010, Massachusetts created the Massachusetts Growth Capital corporation, which provides capital and advice to small businesses; and

WHEREAS, at least twenty-two states have undertaken studies to determine the feasibility of state-owned banks as a way to stabilize state economies, provide local businesses with greater access to credit, augment the lending capacity of private banks and contribute revenue to help fund state government; and

WHEREAS, the New Mexico finance authority has substantial financial resources that might be made more readily available to assist small businesses in New Mexico; and

WHEREAS, a state-owned bank in New Mexico could help stabilize the state economy, provide local existing and start-up businesses with greater access to credit, support local economic development, augment the lending capacity of private banks in New Mexico and contribute revenue to help fund state government;
NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
REPRESENTATIVES OF THE STATE OF NEW MEXICO that the legislative
finance committee be requested to undertake a study during the
2017 interim of ways in which the resources of the New Mexico
finance authority might be made more accessible to persons and
businesses in New Mexico; and

BE IT FURTHER RESOLVED that the study include the
feasibility of establishing a state-owned bank in New Mexico;
and

BE IT FURTHER RESOLVED that the legislative finance
committee present a report on the results of its study to the
appropriate interim legislative committees by October 1, 2017;
and

BE IT FURTHER RESOLVED that copies of this memorial be
transmitted to the chief executive officer of the New Mexico
finance authority, the chair and vice chair of the legislative
finance committee and the director of the legislative finance
committee.

- 3 -