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## FISCAL IMPACT REPORT

SPONSOR SFC ORIGINAL DATE 02/09/21  
 LAST UPDATED 02/10/21 HB \_\_\_\_\_

SHORT TITLE Small Business Recovery Act SB 3/SFCS/ec

ANALYST Iglesias

### REVENUE (dollars in thousands)

Estimated Revenue					Recurring or Nonrecurring	Fund Affected
FY21	FY22	FY23	FY24	FY25		
(\$500,000.0)	-	-	-	-	Nonrecurring	Severance Tax Permanent Fund
\$500,000.0	-	-	-	-	Nonrecurring	Small Business Recovery Loan Fund
-	-	(\$5,020.0)	(\$10,370.0)	(\$16,090.0)	Recurring	General Fund

Parenthesis ( ) indicate revenue decreases

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
\$2,500.0	\$1,500.0	\$500.0	\$4,500.0	Recurring	Small Business Recovery Loan Fund

Parenthesis ( ) indicate expenditure decreases

Relates to SB1 and HB11

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

State Investment Council (SIC)

New Mexico Finance Authority (NMFA)

### SUMMARY

#### Synopsis of Bill

The Senate Finance Committee substitute for Senate Bill 3 amends and extends the Small Business Recovery and Act of 2020 (“2020 SBRA”), to be renamed simply the Small Business Recovery and Stimulus Act (“Proposed SBRSA”). The 2020 SBRA made loans available to New Mexico small businesses impacted by the Covid-19 health crisis and economic shutdown.

Loan applications under 2020 SBRA were due by December 31, 2020. This bill extends the loan application deadline to May 31, 2022 and increases the available funding from \$400 million to \$500 million. Since less than \$40 million was loaned under the 2020 SBRA, the effect of SB3 is to make an additional \$460 million available for loans originated before 2023.

Like the 2020 SBRA, the Proposed SBRSA is administered by the New Mexico Finance Authority (NMFA) and is funded by an investment from the severance tax permanent fund (STPF).

This bill makes several changes to the 2020 SBRA and allows for previous borrowers to refinance under the more favorable terms of proposed SBRSA.

Specifically, the bill makes the following changes to the terms of the loan:

- Loan terms no longer fixed at 5 years. Under the Proposed SBRSA, loans can be made with terms up to 10 years as determined by NMFA.
- Loans accrue no interest and borrowers make no payments for the first year of the loan. For next two years, borrowers would make interest-only payments. (Under the 2020 SBRA, interest accrued immediately, with no principal payments required until the third year.)
- Loans can be made in amounts equal to three times (instead of 2020 SBRA's two times) a business's pre-pandemic average monthly business expenses as determined by NMFA. (Under the 2020 SBRA, average monthly business expenses were tied to tax year 2019).
- Provides that NMFA may offer applications in one or more rounds.
- The maximum allowable loan raised from \$75 thousand to \$150 thousand.
- For loans greater than \$75 thousand, NMFA may require a personal guarantee or collateral to secure the loan.
- Replaces ambiguous creditworthiness determination by NMFA with a specific requirement to satisfy credit and identification criteria to be determined by NMFA. Provides that NMFA may rely on third-party credit and identification reports.
- Eliminates the specific calculation of "average adjusted monthly business expense" which determines the amount of loan a business will receive and provides that NMFA shall determine the manner in which average monthly expenses may be calculated.
- Provides that 50 percent (non-employer businesses) to 80 percent (businesses with employees) of the loan be used to make business improvements, including those necessary due to the Covid-19 pandemic and other non Covid-related improvements that would grow the business's e-commerce and sales capacity. (Under the 2020 SBRA, 80 percent of proceeds needed to be spent on ordinary business expenses.)

This bill loosens the underwriting standards in the following ways:

- Borrowers are not required to have records demonstrating actual losses. (Under 2020 SBRA, borrowers needed to have certified records reflecting at least a 30 percent reduction in revenue in April and May 2020.)
- Borrowers no longer need to provide a certification that the business does not reasonably expect to cease operations or declare bankruptcy.

This bill expands the businesses eligible for the program in the following ways:

- To qualify for a loan, the borrower must show substantial reduction in revenue or disruption of operations due to the Covid-19 related public health orders. (Under the 2020 SBRA, the borrower was required to show the business had closed or had reduced its operations.)
- A small business borrower is defined as having less than \$5 million in net income as determined by NMFA. (Under the 2020 SBRA, a small business was defined to have less than \$5 million in gross income in tax year 2019.)
- Qualifying corporations or limited liability companies (LLC) are defined as businesses with a principal office and at least 51 percent of the entity’s voting power and at least 51 percent of the total value of the equity owned by New Mexico residents. (Under 2020 SBRA, the requirement was 80 percent.)
- Qualifying nonprofit organizations are expanded to include nonprofits defined by IRS code section 501(c)(8) (fraternal organizations such as elk lodges), and 501(c)(19) and 501(c)(23) (veterans’ organizations).

This bill also makes the following additional changes to the 2020 SBRA:

- Removes NMFA’s ability to hire loan servicers to underwrite the SBRSA loans
- Removes NMFA’s ability to pay 0.5 percent of the loan amount to service providers giving technical support to small businesses seeking loans; and
- Allows NMFA to use up to 2 percent of the STPF commitment (\$10 million) to pay for the cost of administering the program. (up from 1 percent under the 2020 SBRA).
- Clarifies that information used by NMFA to analyze an application is excepted from the Inspection of Public Records Act.

This bill contains an emergency clause and would become effective immediately upon signature by the governor.

## FISCAL IMPLICATIONS

***Loans to Small Businesses.*** The New Mexico Finance Authority (NMFA) previously estimated the average loan made under the program would be \$75 thousand and that NMFA would make approximately 7,500 loans, including the refinanced loans provided for in this bill.

***Cost to the Severance Tax Permanent Fund and General Fund.*** The cost of this derives from the lost investment income, and potentially the loss of capital, that will result from this bill’s requirement that STPF commit \$500 million to fund the proposed SBRSA. For the reasons discussed in detail in the Significant Issues section below, the State Investment Council (SIC) states the structure of the SBRSA loan program makes it unlikely that the STPF’s \$500 million investment will return any net income.

For purposes of this FIR, the estimated cost of this bill is “opportunity cost,” defined as the difference between the projected earnings of \$500 million invested in STPF’s general investment portfolio and the projected earnings of \$500 million invested in the SBRSA. The difference in earnings for the STPF will manifest itself both in a difference in accumulated trust value and distributions that the STPF will make to the general fund for the near future. The cost of this bill

will therefore compound over time, meaning that beginning in fiscal year 2023, when the first distribution from the STPF to the general fund would be impacted by this bill, the cost of this bill will continue to grow each year.

The fiscal impact estimates reflect calculations of SIC staff of the original bill as introduced, which made the following assumptions (note, the assumptions made in this original analysis are not substantively affected by the changes in the committee substitute):

- The STPF general investment portfolio will earn 6.75 percent. This is the SIC's targeted rate of return for the STPF. In recent years, the STPF has earned more than 6.75 percent, but in the future it may earn less.
- SBRSA loans will charge 1.625 percent. This is the rate that would apply based upon the prime rate published in today's Wall Street Journal, which is the index used to set interest rates for SBRSA loans.
- SBRSA loans will be completely repaid or defaulted in ten years, and the resulting money reinvested in the STPF general portfolio in the tenth year.
  - This bill allows for loans to have terms up to 10 years, as determined by the NMFA, and can be prepaid at any time without penalty.
  - SIC staff note that, according to the U.S. Small Business Administration (SBA), more than 60 percent of small businesses fail within ten years.
- One chart below shows the projected cost with a SBRSA loan default rate of 17.4 percent and the other with a 60 percent default rate.
  - The 17.4 percent is the ten-year default rate for SBA loans for the ten-year period ending in 2015 (the most recent period for which SIC has data). SIC states this is an optimistic assumption in that the underwriting for SBA loans is stricter, and therefore default rates will be lower, than loans made under the SBRSA.
  - The 60 percent rate reflects the SBA's finding that fewer than 40 percent of small businesses survive ten years.
- There will be a 1 percent (now 2 percent under the committee substitute) initial fee taken from the fund for each originated loan. This is a low estimate of the cost of administering the SBRSA loan program. This bill permits the NMFA to charge up to 1 percent (now 2 percent under the committee substitute) for administering the fund, up to 0.5 percent to pay a service provider giving technical support to borrowers, and to contract with financial institution to originate loans.

Cost of SBRSA Loan Program if 17.4% of loans default (\$M)			
	10 Years	20 Years	30 Years
Diminished STPF Value	\$503	\$967	\$1,858
Decrease in Cumulative Distributions to General Fund	\$258	\$593	\$1,177

Cost of SBRSA Loan Program if 60% of loans default (\$M)			
	10 Years	20 Years	30 Years
Difference in STPF Value	\$739	\$1,420	\$2,730
Difference in Cumulative Distributions to General Fund	\$258	\$724	\$1,581

SIC staff’s more optimistic estimate shows that under terms prescribed by SBRSA, the STPF would accumulate approximately \$1.9 billion less and distribute to the general fund \$1.2 billion less over the next three decades assuming the entire \$500 million allocation was taken by NMFA the first year and otherwise normal STPF returns. Smaller program drawdowns would have smaller impacts accordingly. A higher rate of default would result in accumulating approximately \$2.7 billion less and distributing \$1.5 billion less to the general fund. Similarly, smaller drawdowns on the fund would have lesser impact, as would a lower default rate among borrowers.

**Limited Underwriting and Lack of Fraud Protections.** SIC staff state concern with the limited extent of underwriting (advance research on each company’s financial status and forward-looking prospects) expected to be associated with the loans, which could result in a greater number of loan defaults.

**Economic Benefits.** SIC staff state the financial benefits of SBRSA are hard to estimate but would presumably also be substantial. Small businesses are a substantive part of the New Mexico economy, with the Small Business Administration reporting New Mexico has 160,000 small businesses, with 340,000 workers. Revenue for many of those businesses has been decimated by the pandemic shutdown, and the loans to be delivered by this legislation would provide a critical lifeline for many.

Further, SIC staff point out that experience with existing 2020 SBRA suggests that both the costs and the benefits of SBRSA may be reduced by the availability of other government programs. Small businesses borrowed less than \$40 million of the \$400 million available under the existing 2020 SBRA. For comparison, the SBA Payroll Protection Program (PPP) provided New Mexico nearly 22 thousand small businesses roughly \$2.2 billion in forgivable loans and SBA’s Economic Injury and Disaster Loan program provided 9.7 thousand businesses with \$566 million of low-interest rate loans for an array of working capital and normal operating expenses.<sup>1</sup> Additionally, a fourth federal Covid stimulus package made another \$284 billion available for

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<sup>1</sup> New Mexico Economic Development Department, presentation to the Economic and Rural Development Committee, August 3, 2020

additional PPP loans – assuming 0.5 percent apportionment to New Mexico, this would mean an additional \$1.2 billion in forgivable loans for small businesses in the state.

## SIGNIFICANT ISSUES

**Legality of Bill Provisions.** This bill structures funding of the SBRSA as an investment of the STPF. SIC staff state this creates two competing and related issues: 1) funds contributed by the STPF may not constitute an investment authorized by applicable statute; and, 2) given available alternative funding, e.g., grant programs created by the federal government, small businesses may not meaningfully benefit from the SBRSA loan program.

To this point, SIC staff note several important considerations regarding this bill:

### **1. Is the financial commitment to SBRSA an investment authorized for the STPF?**

- Pursuant to the New Mexico Constitution (Article VIII, Section 10(A)), funds in the STPF must be invested “as provided by law.” Here, the applicable law, NMSA § 7-27-5, requires, among other things, that STPF investments shall be: 1) “intended to . . . provide income” to the STPF and, 2) “invested in accordance with the Uniform Prudent Investor Act [45-7-601 to 45-7-612 NMSA 1978].” SIC staff state there are reasons to question whether the \$500 million commitment required by this bill satisfies either requirement for an STPF investment.

### **2. Is the financial commitment required by this bill “intended to provide income”?**

- SIC staff recognize there is no statutory definition that clearly determines when an investment can be deemed to be “intended” to provide income. They further note that whether an investment must be “likely” to produce income to qualify as “intended” to produce income is a legal question that has not, to their knowledge, been conclusively decided by the courts. As defined in this bill, the STPF’s investment in SBRSA “may” provide income.
- However, based upon reasonable financial assumptions, SIC staff state it is “unlikely” that the SBRSA investment will provide income to the STPF. Therefore, the Legislature will need to decide for itself whether an investment that is unlikely to provide income should be deemed to satisfy Section 7-27-5 NMSA 1978 requirement that investments be “intended” to provide income.
- The SBRSA loan terms, given reasonable assumptions about default rates on those loans, make it unlikely, but not impossible that, the STPF funding of SBRA will result in positive net income to the STPF.
- This bill sets the interest rate charged on the SBRSA loans at one-half the Wall Street Journal prime rate on the date the loan is made. At today’s rate, money would be lent at 1.625 percent. However, no interest would accrue, and no payments would be made, for the first year of the loan. In considering the likely performance of the fund, the income that individual loans generate must be offset by loans that are defaulted upon. Given the extremely low rate of interest being charged, and the first three years of no interest at all, SIC staff state the default rate would need to be extremely low for this loan portfolio to generate positive income.

- Below, SIC provides an illustrative table indicating how default rates impact profits of a hypothetical loan portfolio charging 1.625 percent on ten-year loans. The chart uses default rates of 10.49 percent, 17.4 percent, and 60 percent, which respectively represent, the default rate necessary to make a profit, the default rate for SBA loans for the ten years ending in 2015, and the percentage of small businesses that fail in a typical ten-year period:

Initial Investment (in millions)	Term of Loan (in years)	Default Rate	Net Profit (in millions)	Annual Rate of Return
\$500	10	10.49%	\$1	0.02%
\$500	10	17.40%	(\$38)	-0.78%
\$500	10	60.00%	(\$276)	-7.72%

- As can be seen from the chart, using realistic default rate estimates, the SBRSA loan program is not likely to make money. Further, this chart is made without deducting the expenses that can be charged for running the SBRSA loan program. After consideration of these additional expenses, it is even less likely that the STPF will get income from the investment required by this bill.

### 3. Will funds invested by SBRSA satisfy the Uniform Prudent Investor Act?

- The bill states that the STPF’s investment will “be deemed to be in compliance with” the Uniform Prudent Investor Act (UPIA).
  - The UPIA provides significant leeway to make investments to further “the purposes of the trust” [UPIA, § 45-7-603(C)(8), Standard of care; portfolio strategy; risk and return objectives].
- The beneficiaries of the STPF are simply the “people of the state” [NM Const Art VIII § 10(A)]. As the Legislature is in the best position to determine what is in the interest of the people of the state, SIC staff state this bill’s “deemed to be in compliance” provision should be sufficient.
  - However, given the likely losses associated with STPF’s funding of the SBRSA loan program, SIC staff suggest explicit Legislation findings would be beneficial. An example of this type of finding is NMSA § 7-27-5.14 (entitled “Findings and Purpose”), which explains the public policy supporting the SIC’s investment in the New Mexico private equity program. A similar explanation here would provide critical support for the conclusion that the STPF’s investment in the SBRSA loan fund satisfies the prudent investor rule.

### 4. Will small businesses meaningfully benefit from the SBRSA loan program?

- Because SBRSA structures the loan program as an investment, the terms of the SBRSA loans are necessarily less favorable to businesses than other available funding programs that are structured as forgivable loans.
- New Mexico small businesses borrowed less than \$40 million under 2020 SBRA (less than ten percent of available funds) while obtaining nearly \$2.2 billion in PPP loans from the SBA, with additional PPP forgivable loan funding available.

- Without more information about how small businesses are using this money it cannot be known how significant the 2020 SBRA program has been in keeping small businesses afloat. However, the fact that such a small percentage of available funds have been drawn, and that other types of funding are readily obtained, SIC staff state this suggests that the SBRSA may not meaningfully help New Mexico’s small businesses.
- Further concern about the expected benefit of SBRSA to small businesses is raised by this bill’s removal of the requirement in 2020 SBRA that borrowers certify that the borrower has a “reasonable basis to believe” that the business will continue. If the borrower cannot claim a reasonable basis to believe the business will continue, it is unclear what reason a lender would have to extend a non-recourse loan so that business could “recover.”

***Borrower Eligibility.*** This bill deletes language that limited the number of businesses that are eligible for 2020 SBRA loans based on reports filed monthly with the Taxation and Revenue Department, since many small businesses file gross receipts reports quarterly or less frequently and because several industries are exempt from gross receipts taxes, and therefore do not report at all. Additionally, this bill removes the specific decline of 30 percent in each of April and May of 2020 as compared to those same months in 2019, which left out businesses who saw similar declines in months other than April and May. This bill also substitutes the 2020 SBRA’s narrowly defined eligibility criteria with a loosened standard of “substantial decline in revenues or substantial decrease in operations” as determined by NMFA.

By allowing NMFA to determine, through rulemaking, the manner in which businesses evidence impact from the pandemic and ensuing public health orders, NMFA anticipates that a larger number of businesses will be able to benefit from the program. Additionally, NMFA states the Authority will be able to amend its rules to meet economic conditions and needs of small business.

## **PERFORMANCE IMPLICATIONS**

SIC will have to restructure its STPF portfolio to accommodate a \$500 million (or more included in other proposals) withdrawal and establish whether its current targeted return rate of 6.75 percent is viable on a risk-adjusted basis. When about 10 percent of the endowment fund is earning 0 percent or less over an extended period, additional risk-taking may be necessary to balance those losses to achieve the STPF’s long-term target and avoid substantially cutting into the fund’s corpus.

Historically, some economically targeted investments (ETIs), like SBIC’s 2 percent of the STPF, in aggregate, have not generated financial returns, but have lost principal. That and other ETIs, including the New Mexico private equity program have seen volatile results, returning 25.8 percent in CY2018, but lost many of those gains with a -12.6 percent return in CY2019. A quarter of a billion dollars in film loans made from 2001-2008 cost the state about \$40 million on lost earnings, though all principal was returned, due to irrevocable letters of credit that guaranteed repayment. Such guarantees are not contemplated in this bill.

As a rule of thumb, below-market ETI returns have been a drag on total returns and the substantial benefits provided to New Mexico by the STPF, and SIC staff state this proposal will



amplify that underperformance for several years. SIC staff note this fact should be taken into consideration while also recognizing that the STPF was created with the intent of improving and stabilizing New Mexico's economy and also establishing a revenue engine for consistent budgetary inflows to the general fund.

NMFA state that this bill directs the authority to determine, through rulemaking, the manner in which businesses evidence substantial revenue decline or disruption to operations due to the public health orders stemming from the Covid-19 pandemic. NMFA anticipates that a larger number of businesses will be eligible to apply for the low-cost loan funds. Further, by setting these standards in rule, NMFA will have the ability to amend the program rules to keep up with current economic conditions, potential changes to the public health order, and the needs of small businesses that the program is intended to serve.

### **ADMINISTRATIVE IMPLICATIONS**

Given the short-term nature of the existing program, NMFA has staffed the program using a combination of temporary employees and redirecting the efforts of existing staff. This provides that loans may be paid over a 30-year period, which places a high level of loan servicing burden on NMFA. NMFA anticipates a higher volume of applications with the changes contained in this bill. Due to the breadth of the program, NMFA anticipates it will need additional staff. This bill provides for up to 2 percent (\$10 million) of the SIC commitment to be utilized for costs of administration which NMFA anticipates will be needed to pay for these additional resources.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Related to the stimulus provisions of Senate Bill 1, which provides a temporary deduction from gross receipts taxes for certain food services establishments from March 2021 through June 2021.

Related to House Bill 11, which provides \$200 million from the general fund for recovery grants up to \$100 thousand through the Local Economic Development Act to small businesses to assist with rent, lease, and mortgage payments.

### **TECHNICAL ISSUES**

SIC staff suggest issues with the Uniform Prudent Investor Act may be addressed with additional statutory language that emphasizes that beneficiaries of the STPF are simply the "people of the state" [NM Const Art VIII § 10(A)], and as the UPIA provides significant leeway to make investments to further "the purposes of the trust" [UPIA, § 45-7-603(C)(8), Standard of care; portfolio strategy; risk and return objectives]. As currently drafted, the blanket exemption provided by this bill for all such investments may be overly broad, *exempting the SIC from all responsibility for any reasonable oversight of the investment/loan program*. SIC staff suggest a new legislative finding and purpose section for this bill (like § 7-27-5.14, NMSA 1978) stating these investments will in fact be for the benefit of the fund beneficiaries, namely the people of New Mexico, may serve to remedy this concern.

## OTHER SUBSTANTIVE ISSUES

***Risk of Loan Defaults.*** There is concern regarding who would ensure repayment of a maximum number of these loans, as there are no collection “teeth” provided as tools to ensure repayment, either for SIC, NMFA, or the non-state lending entities that will administer the loans. Without such protections, there is a heightened risk of substantial loan defaults.

***Uniform Prudent Investor Standards.*** The bill, while offering some protection to the Council in their fiduciary roles, by stating that “...investments made pursuant to and in compliance with the Small Business Recovery Act of 2020 shall be deemed to be in compliance with the prudent investor rule set forth in the Uniform Prudent Investor Act”, SIC staff state a concern that there is little to justify the assertion that these investments will meet the UPIA standard (see Technical Issues section).

***Existing 2020 SBRSA Loans.*** The existing 2020 SBRA loan program authorized in the 2020 special session set aside \$400 million of the STPF for loans to small businesses experiencing significant revenue declines in April and May 2020. Under this program, NMFA reports about \$36 million in approved loans to 784 businesses, with an average loan amount of \$45.9 thousand. A summary of approved loans can be found in Attachments 1 and 2.

## ALTERNATIVES

The intent of the bill would seem similar to the investments SIC makes in the Small Business Investment Corporation (SBIC), which then invests in small businesses via lending partners (pursuant to § 7-27-5.15, NMSA 1978). Unlike the legislative terms addressing SBIC’s function and SIC’s investment, the SIC’s investing relationship to NMFA is not clearly addressed in the bill. If the SIC’s investment is intended to be the capital with which the Small Business Recovery Act is funded, SIC staff state the terms of that should be clearly defined to ensure the investments are never viewed as grants, as grants are not investments.

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Demographic Information and raw data for the 2020 SBRA loans administered by the NMFA  
For Approved Loans as of 01/20/2021

o Total number of loans Approved to date: Count  
784

o Total Amount of Approved Loans: Amount  
\$35,951,599.17  
o Average Loan Amount: \$45,856.63

o Loan Amount	Count	Average	Low	High
i. 0 to 29,999:	287	\$12,562.15	\$496.00	\$29,653.00
ii. 30 to 44,999:	73	\$37,191.40	\$30,323.00	\$44,844.00
iii. 45 to 59,999:	76	\$52,207.42	\$45,277.00	\$59,963.00
iv. 60 to 74,999:	55	\$67,064.09	\$60,007.00	\$74,887.00
v. 75 K:	293	\$75,000.00	\$75,000.00	\$75,000.00

o Revenue	Count	Average	Low	High
i. < 500,000 \$/yr:	465	\$199,762.39	\$0.00	\$495,822.00
ii. 500,000 – 999,999 \$/yr:	141	\$703,147.75	\$504,351.00	\$979,757.00
iii. 1 - 2.499 million \$/yr:	129	\$1,521,675.32	\$1,005,819.00	\$2,484,094.00
iv. 2.5 – 3.99 million \$/yr:	41	\$3,106,684.68	\$2,525,957.00	\$3,988,441.00
v. 4 – 5 million \$/yr:	8	\$4,509,820.63	\$4,225,107.00	\$4,926,159.00

o Use of funds	Count	Average	Low	High	Percent of Total Funded Loans
i. % for employee wages:	583	38.93	1.00	100.00	74.36%
ii. % for owner salaries:	482	14.80	0.01	20.00	61.48%
iii. % for rent/lease/mortgage:	693	30.42	1.00	100.00	88.39%
iv. % for marketing :	460	9.81	0.15	70.00	58.67%
v. % COVID related expenses:	556	11.63	0.50	100.00	70.92%
vi. % other expenses:	617	26.17	1.00	100.00	78.70%
vii. Estimated % of funds to be spent in New Mexico:	781	96.66	1.00	100.00	99.62%

o Diverse Business Classification total number:	Count	Percent of Total
i Women-owned business:	249	31.76%
ii. Minority-owned business:	232	29.59%
iii. Veteran-owned business:	37	4.72%
iv. Service-disabled veteran-owned business:	13	1.66%

o Number of employees March 2020	Count	Average	Low	High
i. 0-1:	784	8.31	0	184
ii. 2-5:	212	0.60	0	1
iii. 6-10:	251	3.20	2	5
iv. 11-25:	135	7.60	6	10
v. 26+:	131	16.34	11	25
	55	44.00	26	184

  

o Estimated Number of employees March 2021	Count	Average	Low	High
i. 0-1:	784	8.63	0	115
ii. 2-5:	170	0.60	0	1
iii. 6-10:	267	3.28	2	5
iv. 11-25:	150	7.81	6	10
v. 26+:	142	16.23	11	25
	55	42.02	26	115

## ATTACHMENT 2

### Dispersion of 2020 SBRA Loans As of 1/20/21

County	Number of Loans
Bernalillo	270
Santa Fe	188
Lea	64
Dona Ana	41
Sandoval	35
San Juan	27
Eddy	21
Taos	20
Curry	16
Chaves	15
Lincoln	12
Grant	11
McKinley	10
Valencia	9
Los Alamos	7
Otero	7
Sierra	4
Luna	4
Rio Arriba	4
San Miguel	4
Guadalupe	3
Roosevelt	3
Quay	2
Torrance	2
Colfax	2
Socorro	2
Catron	1
<b>Grand Total</b>	<b>784</b>

