



NEW MEXICO  
**FINANCE AUTHORITY**

## **NMFA Legislative Recap 2011**

NMFA Oversight Committee

Santa Fe – June 2, 2011

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# Proposed LEGISLATION

## AUTHORIZATIONS

- ◆ HB – 53 Public Project Revolving Fund
- ◆ SB – 20 Statewide Economic Development Loans (Smart Money)
- ◆ HB – 143 Water Project Funding

## APPROPRIATIONS

- ◆ HB – 13 Drinking Water State Revolving Loan Fund

## AMMENDMENTS

- ◆ HB – 16 Water Project Finance Act – Increasing the eligibility for funding
- ◆ SB – 27/114 Daily Capital Outlay Tax - Extending the sunset provision on the pari-mutuel tax till December 2014
- ◆ **SB – 48 New Mexico Finance Authority Act – Increased Reporting and temporarily suspending legislative authorization for PPRF projects**
- ◆ SB – 454 State Wide Economic Development Finance Act – Temporarily suspends legislative authorization for economic development projects under SWEDFA



## Authorizations

### **PUBLIC PROJECT REVOLVING LOAN FUND**

Authorizes the New Mexico Finance Authority to make loans to 142 qualified entities from the *Public Project Revolving Fund* for public projects over \$1,000,000 including:

- ◆ Buildings, Equipment and Infrastructure
- ◆ Refinancing
- ◆ Water, Wastewater & Water Rights
- ◆ Solid Waste
- ◆ Road and
- ◆ Land Projects



## Authorizations

# STATEWIDE ECONOMIC DEVELOPMENT LOANS (Smart Money)

Authorizes the New Mexico Finance Authority to make loans from the *Economic Development Revolving Loan Fund* for projects that benefit counties across the state, promote public / private partnerships and foster economic development and job creation.

- ◆ 13 projects this year are seeking authorization



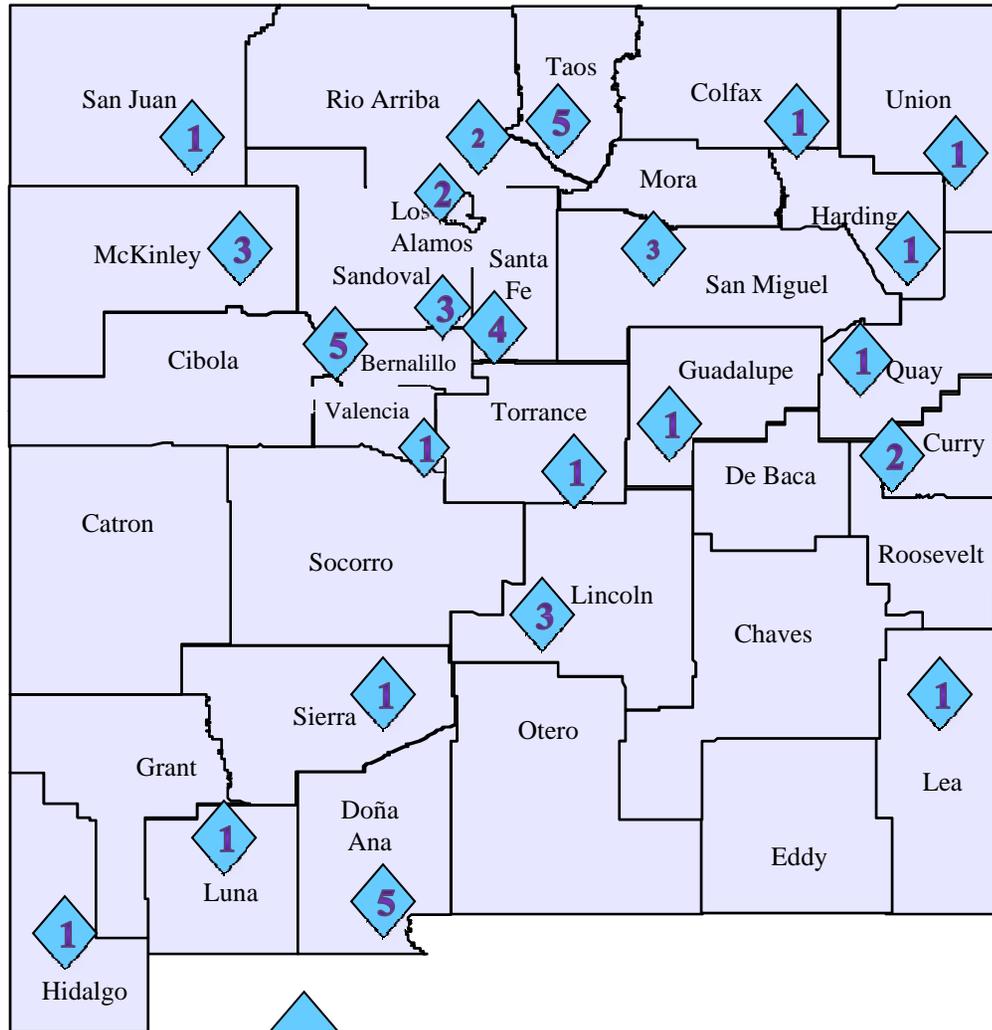
## **WATER PROJECT FUNDING (Water Trust Board)**

Authorizes the New Mexico Finance Authority the ability make loan/grants to 49 projects from the *Water Project Fund* and *Acequia Project Fund* to community water organizations, acequias, cities and counties for various water system improvements ranging from:

- ◆ Storage, Conveyance and Delivery,
- ◆ Treatment, Recycling, Conservation, and
- ◆ Restoration

# Water Trust Board Legislative Authorization

# Authorizations



<b>Bernalillo</b>	\$	<b>3,438,386</b>
<b>Colfax</b>	\$	<b>4,113,450</b>
<b>Curry</b>	\$	<b>8,226,900</b>
<b>Dona Ana</b>	\$	<b>12,996,095</b>
<b>Guadalupe</b>	\$	<b>1,250,000</b>
<b>Harding</b>	\$	<b>500,000</b>
<b>Hidalgo</b>	\$	<b>830,000</b>
<b>Lea</b>	\$	<b>4,113,450</b>
<b>Lincoln</b>	\$	<b>3,930,000</b>
<b>Los Alamos</b>	\$	<b>2,500,000</b>
<b>Luna</b>	\$	<b>380,000</b>
<b>McKinley</b>	\$	<b>6,898,447</b>
<b>Quay</b>	\$	<b>600,000</b>
<b>Rio Arriba</b>	\$	<b>1,074,900</b>
<b>San Juan</b>	\$	<b>1,600,000</b>
<b>San Miguel</b>	\$	<b>3,829,311</b>
<b>Sandoval</b>	\$	<b>2,577,891</b>
<b>Santa Fe</b>	\$	<b>3,085,000</b>
<b>Sierra</b>	\$	<b>1,280,000</b>
<b>Taos</b>	\$	<b>7,658,344</b>
<b>Torrance</b>	\$	<b>600,000</b>
<b>Union</b>	\$	<b>2,000,000</b>
<b>Valencia</b>	\$	<b>2,600,000</b>
<b>Total</b>	\$	<b>76,082,174</b>

**49** Number of Projects Recommended

## HB TBD NMFA Water Fund Projects

Produced by NMFA Staff January 2011



## DRINKING WATER STATE REVOLVING LOAN FUND

Appropriating \$2,000,000 from the Public Project Revolving Loan Fund to the *Drinking Water State Revolving Loan Fund* for expenditure in fiscal year 2011 and subsequent years.

Provides state matching funds for the *Federal Safe Drinking Water Act of 1974* projects and to carry out the purposes of the *Drinking Water State Revolving Loan Fund Act*.



## WATER PROJECT FINANCE ACT

Amended definitions in the Act to increase eligibility for funding for:

- ◆ Political Subdivisions
  - Regional or local public water utility authorities
  - Land grant-merced controlled and governed entities
- ◆ Qualifying Entities
  - Intercommunity water or natural gas supply association or corporation organized under Chapter 3, Article 28.
    - Water or Natural Gas Associations
  - Associations of “qualified entities” created pursuant to the Joint Powers Agreement Act or other authorizing legislation for the exercise of their common powers.

## DAILY CAPITAL OUTLAY TAX SUNSET EXTENSION

Extended the sunset date of the State Racing Commission and Daily Capital Outlay Tax through FY18, and provides a delayed change in the distribution of the tax from the state fairgrounds to the state general fund beginning January 1, 2015, once the debt outstanding has been retired.

- ◆ PPRF currently holds the New Mexico State Fair Commission Pari-Mutuel Improvement Revenue Bonds issued in 2004 with a principal of \$5,555,556
  - ◆ Current Balance – \$2,562,617
  - ◆ Potential Exposure – \$1,327,657
- ◆ Bonds financed the cost of improving and replacing existing gas, water and sewer lines, building upgrades, telephone systems, parking lot improvements and new building structures in the Indian and Hispanic Village.

## PPRF AUTHORIZATION

For a period of two years, suspends the requirement for specific legislative authorization of projects funded by the Authority from the PPRF.

In turn, the NMFA would have been required to report at least quarterly to the Legislature and NMFA Oversight Committee on approved projects and the status of the fund, pursuant to rules approved by the Oversight Committee.

- ◆ Looking for greater efficiency in financing projects and better transparency with input from the Oversight Committee.
- ◆ The Authority will remain bound by statute in financing projects and qualified entities as provided under definitions of the NMFA Act.

## SWEDFA (SSBCI) AUTHORIZATION

For a period of two years, suspends the requirement for specific legislative authorization of “standard” projects funded by the Authority, while “state” projects are still approved by law

In turn, the NMFA is required to report at least quarterly to the Legislature and NMFA Oversight Committee on all “standard” applications, approved projects and status of the Economic Development Revolving Loan Fund, pursuant to rules approved by the Oversight Committee.

Will allow for greater administration of federal economic development program – The State Small Business Credit Initiative (SSBCI)

- ◆ Provides for improved transparency with input from the Oversight Committee
- ◆ Create a better user friendly program that meets the needs, demands and opportunities of businesses and financial institutions in real-time
- ◆ Increase flexibility to leverage private monies



# QUESTIONS?

## Vision

- ◆ Financing your future, believing in New Mexico

## Mission

- ◆ We are dedicated to improving the lives of New Mexicans, by planning and financing infrastructure, strengthening the economy through public/private partnerships and setting the standard for superior, diverse, innovative and solution-driven financing

## Values

- ◆ Customer Orientation
- ◆ Discipline
- ◆ Great Place To Work
- ◆ Initiative
- ◆ Quality
- ◆ Results Orientation