

**NEW MEXICO
FINANCE AUTHORITY**

**Presentation to
New Mexico
Finance Authority
Oversight
Committee**



Review of Proposed Legislation and Legislative Changes

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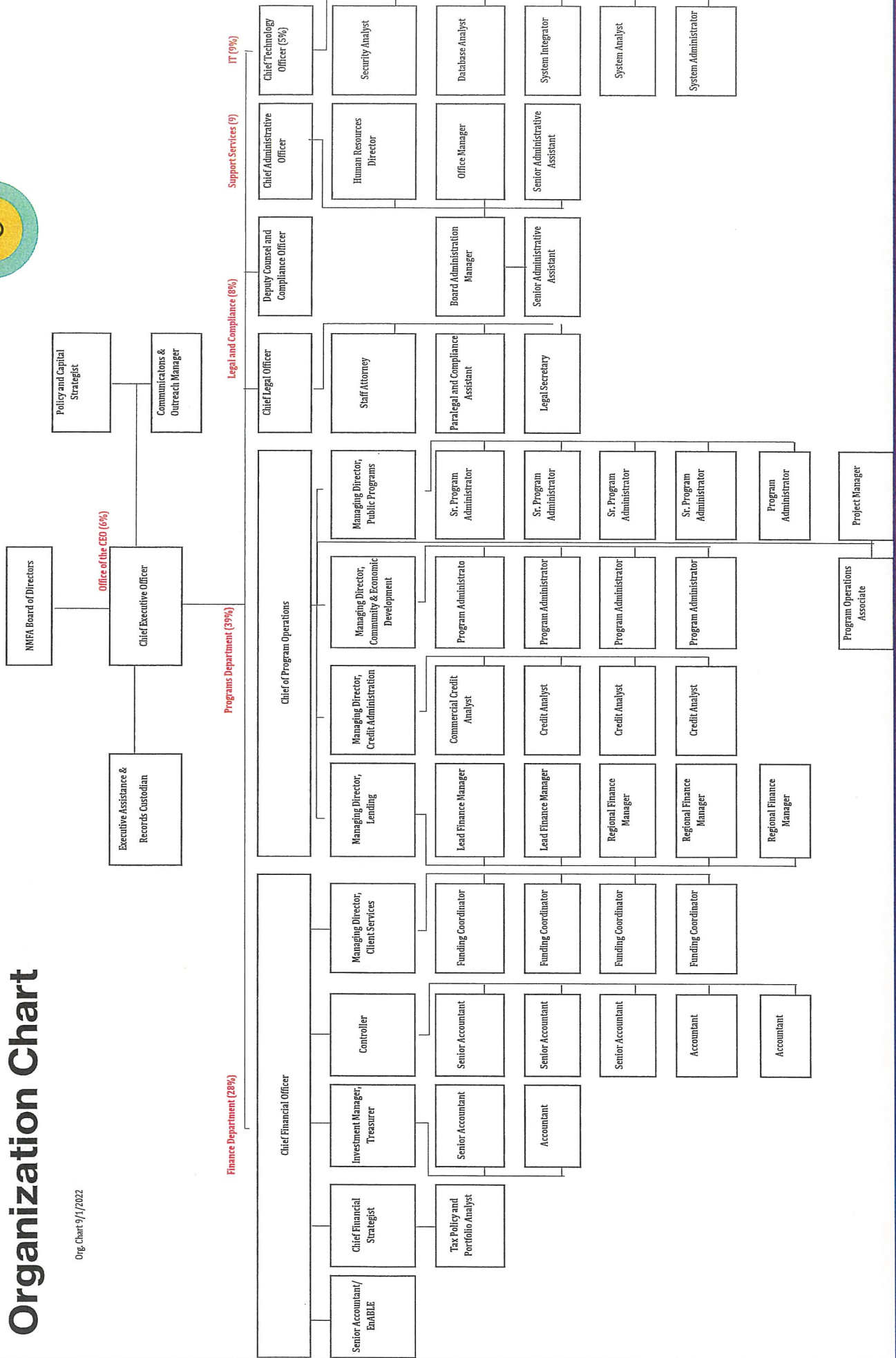
October 26, 2022

Statutory Authority

| Active? Funded? | FY | Program Name | Enabling Act | Statute |
|-----------------|----------|---|--|-----------|
| ✓ | 1992 | Public Project Revolving Fund | New Mexico Finance Authority Act | 6-21-6.0 |
| ✓ | 1994 | Primary Care Capital Fund | Primary Care Capital Funding Act | 24-1C-4 |
| ✓ | 1997 | Drinking Water State Revolving Loan Fund | Drinking Water State Revolving Loan Fund Act | 6-21A-4 |
| | 1999 | Water and Wastewater Grant Fund | New Mexico Finance Authority Act | 6-21-6.3 |
| ✓ | annually | Water Project Fund | Water Project FinanceAct | 72-4A-9 |
| ✓ | 2002 | Local Government Planning Fund | New Mexico Finance Authority Act | 6-21-6.4 |
| ✓ | 2003 | Economic Development Revolving Fund (Smart Money) | Statewide Economic Development Finance Act | 6-25-6.1 |
| | 2003 | Child Care Revolving Loan Fund | Child Care Facility Loan Act | 24-24-4.0 |
| | 2004 | Acequia Project Fund | Water Project FinanceAct | 72-4A-9.1 |
| ✓ | 2004 | Behavioral Health Capital Fund | Behavioral Health Capital Funding Act | 6-26-4 |
| | 2005 | Energy Efficiency & Renewable Energy Bonding Act | New Mexico Finance Authority Act | 6-21D-5 |
| | 2005 | Local Transportation Infrastructure Fund | New Mexico Finance Authority Act | 6-21-6.8 |
| ✓ | 2006 | New Markets Tax Credit | Statewide Economic Development Finance Act | 6-25-6.1 |
| | 2007 | Local Government Transportation Fund | New Mexico Finance Authority Act | 6-21-6.12 |
| ✓ | annually | Colonias Infrastructure Project Fund | Colonias Infrastructure Finance Act | 6-30-8 |
| ✓ | 2011 | Collateral Support Participation Program | Statewide Economic Development Finance Act | 6-25-13 |
| ✓ | 2021 | Essential Services Working Capital Program | Statewide Economic Development Finance Act | 6-25-13 |
| ✓ | 2021 | New Markets Tax Credit Small Loan Pool | Statewide Economic Development Finance Act | 6-21-6.12 |
| ✓ | 2021 | Small Business Recovery Loan Fund | Small Business Recovery and Stimulus Act | 6-32-3 |
| ✓ | 2021 | New Mexico LEDA Recovery Grants | Local Economic Development Act | 5-10-16 |
| ✓ | 2022 | Cannabis Microbusiness Program | Local Economic Development Act | 6-25-13 |
| ✓ | 2022 | Venture Capital Fund | Venture Capital Program Act | 6-33-3 |
| ✓ | 2022 | Charter School Facility Revolving Fund | Charter School Facility Improvements Act | 6-21-6.16 |
| ✓ | 2022 | Opportunity Enterprise Fund | Opportunity Enterprise Act | 6-34-12 |

Organization Chart

Org. Chart 9/1/2022



Finance Department (28%)

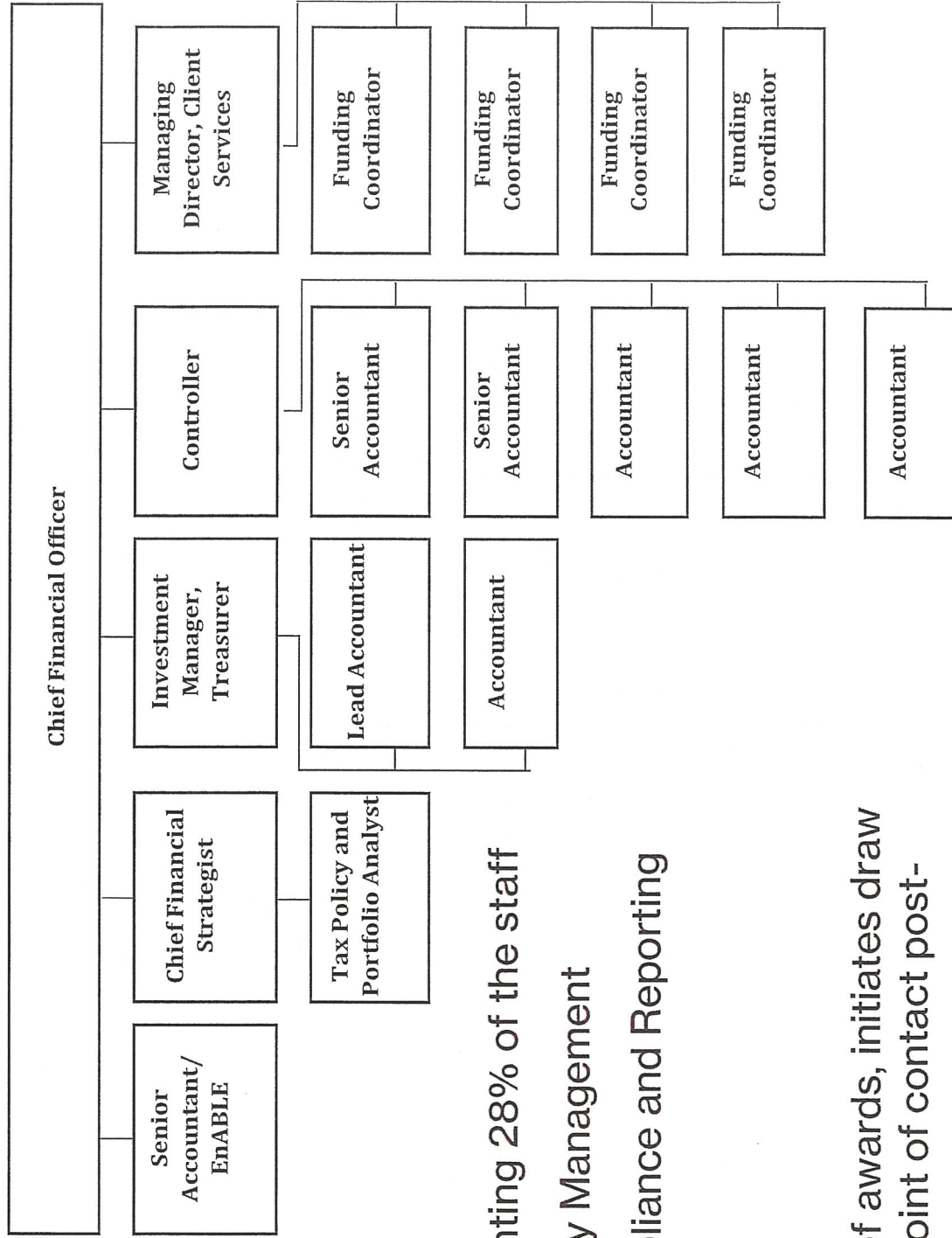
Programs Department (39%)

Legal and Compliance (8%)

Support Services (9)

IT (9%)

Finance Department



- 18 members, representing 28% of the staff
- Investment & Treasury Management
- Bond Issuance, Compliance and Reporting
- Loan Servicing
- Accounts Payable
- Coordinates closing of awards, initiates draw processing, primary point of contact post-approval; collections

Operations

Legal & Compliance

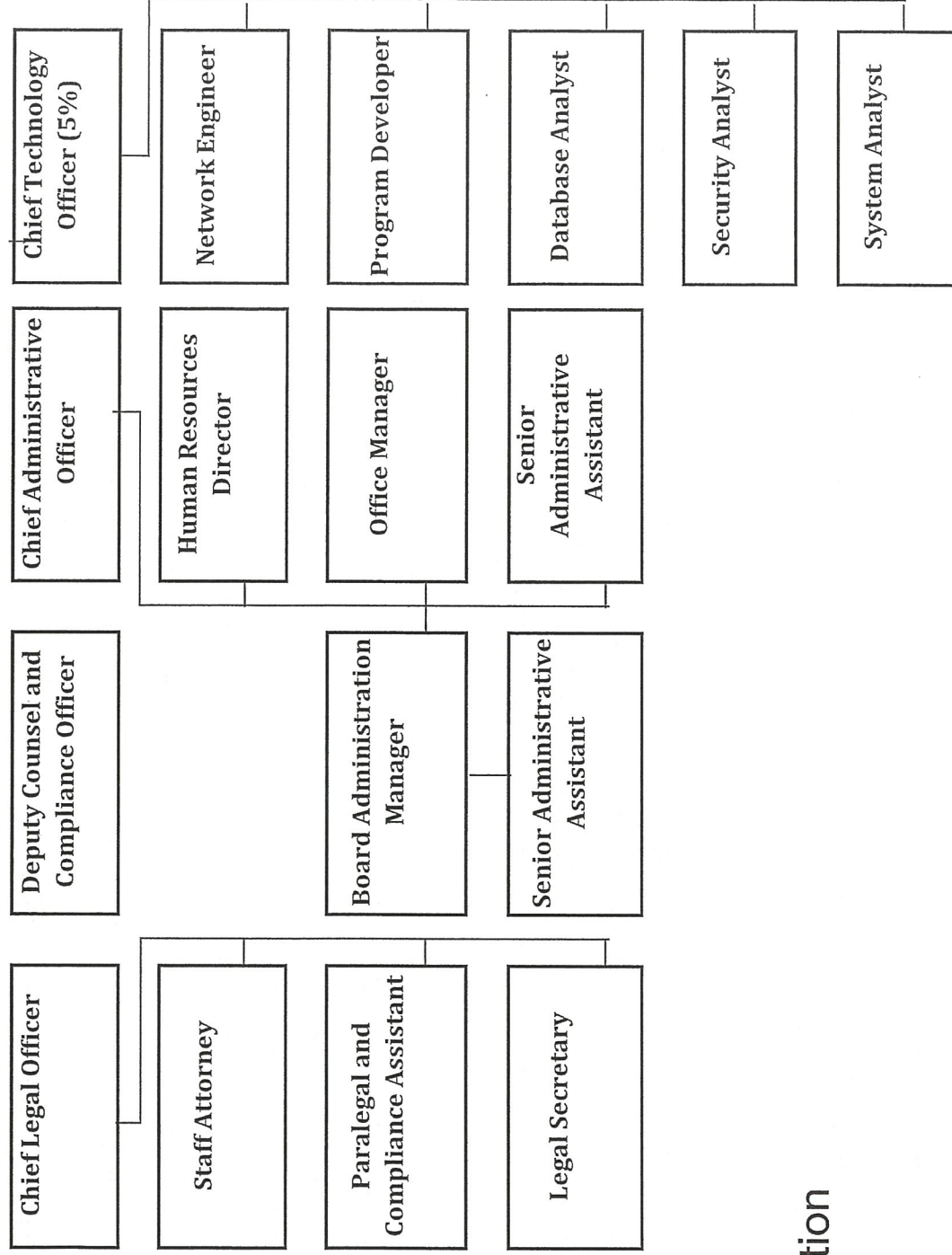
- 5 staff (8% of staff)
- General counsel
- Transaction documentation & oversight
- Internal audit

Support Services

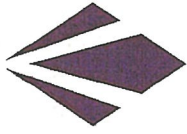
- 6 staff (9% of staff)
- Human resources
- Office management
- Board meeting facilitation

Information Technology

- 6 staff (9% of staff)
- Technology services & systems



- ◆ PPRF Authorization Bill
- ◆ Water Trust Board Authorization Bill
- ◆ PPRF Appropriation Bill – request to transfer \$14.2 million from the PPRF to:
 - Drinking Water State Revolving Loan Fund (State Match) -- \$3.5 million
 - Clean Water State Revolving Loan Fund (State Match) -- \$3.7 million
 - Department of Cultural Affairs Infrastructure Fund -- \$5 million
 - Local Government Planning Fund appropriation -- \$2 million
- ◆ Omnibus “Clean-Up” Bill that amendments across ten Acts to:
 - Expand impact and reach of existing programs that work
 - Increase accessibility of existing programs
 - Improve operating efficiency and sustainability
 - Align definitions, provisions, and reporting dates
 - Eliminate inactive programs



- ◆ Eliminate Requirement for Prior Legislative Authorization
 - Economic Development Revolving Fund
 - Temporary provision in place since 2011 expires June 30, 2023
 - Water Trust Board
 - Make Water Trust Board process consistent with Colonias Infrastructure Board and Tribal Infrastructure Board programs that allow those boards to determine which projects may receive funding
 - Public Project Revolving Fund
 - Current law allows loans of less than \$1 million to be funded without prior legislative authorization and allows “interim equipment loans” to be made without prior legislative authorization

- ◆ Provide consistent Inspection of Public Records Act exceptions provisions

- ◆ Eliminate certain restrictions on Venture Capital program
 - Change 10% industry cap to 30%
 - Eliminate co-invest by deleting 6-33-4 (B)(1) “in conjunction with cooperative investment agreements”

- ◆ **Water and Wastewater Grant Fund (1999)**
 - **Overview:** Program provided grants to projects authorized by the legislature. Grant amounts determined using a sliding scale
 - **Funding:** Program was capitalized by \$5 million in PPRF bond proceeds and net appropriations of \$55 million. 160 projects were funded. Last appropriation received in FY 2002
 - **Recommendation:** Repeal 6-21-6.3

- ◆ **Acequia Project Fund (2004)**
 - **Overview:** Program funded improvements to acequias authorized by the legislature. Project recommendations, planning and oversight provided by Interstate Stream Commission
 - **Funding:** Received \$200,000 donation from a private family foundation. No state appropriations received to date.
 - **Recommendation:** Repeal 72-4A-9.1