

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

**July 2-3, 2024
Robert P. Matteucci Hall
Room 104/105
Central New Mexico Community College
723 University Boulevard SE
Albuquerque**

The second meeting of the New Mexico Finance Authority (NMFA) Oversight Committee was called to order by Senator Michael Padilla, chair, on July 2, 2024 at 9:13 a.m. at the Robert P. Matteucci Hall at Central New Mexico Community College (CNM) in Albuquerque.

Present

Sen. Michael Padilla, Chair
Rep. Joy Garratt, Vice Chair
Rep. John Block
Rep. Jack Chatfield
Sen. Ron Griggs
Sen. Shannon D. Pinto
Sen. Nancy Rodriguez
Rep. Patricia Roybal Caballero
Rep. Linda Serrato
Rep. Luis M. Terrazas (7/3)
Rep. Elizabeth "Liz" Thomson (7/2)

Advisory Members

Rep. Art De La Cruz
Sen. David M. Gallegos
Rep. Tara L. Lujan

Absent

Rep. Harry Garcia
Rep. Joshua N. Hernandez
Rep. Susan K. Herrera
Sen. Daniel A. Ivey-Soto
Rep. D. Wonda Johnson
Rep. Patricia A. Lundstrom
Rep. Willie D. Madrid

Rep. Ambrose Castellano
Rep. Kathleen Cates
Sen. Joseph Cervantes
Rep. Eleanor Chávez
Sen. Siah Correa Hemphill
Rep. Dayan Hochman-Vigil
Rep. Kristina Ortez
Rep. Andrea Romero

Guest Legislator

Rep. Marian Matthews (7/2)

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

Staff

Sabina Gaynor, Staff Attorney, Legislative Council Service (LCS)

Mark Edwards, Bill Drafter, LCS

Clinton Turner, Research and Fiscal Policy Analyst, 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.

Tuesday, July 2**Welcome and Introductions (9:13 a.m.)**

Senator Padilla welcomed committee members and asked them to introduce themselves.

CNM Welcome and Opening Remarks (9:19 a.m.)

Tracy Hartzler, president, CNM, and T.J. Cook, executive director, ABQid, CNM Ingenuity, welcomed the committee to CNM.

Investment in Bioscience Industries (10:10 a.m.)

Stephanie Tofghi, executive director, New Mexico Bioscience Authority; Paul Laur, chair, Board of Directors, New Mexico Bioscience Authority and chief operating officer, Mercury BIO; Dale Dekker, member, Board of Directors, New Mexico Bioscience Authority and founder, Dekker/Perich/Sabatini Architects, Engineers and Planners; and Alex Koglin, Ph.D., board member, New Mexico Bioscience Authority and co-founder, Nature's Toolbox, Inc., provided an overview of the functions of the New Mexico Bioscience Authority and investments in bioscience industries. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/2/2024&ItemNumber=2>.

Approval of Minutes (10:30 a.m.)

The committee approved the minutes from the November 1-2, 2023 meeting and the minutes from the May 9, 2024 meeting, the latter of which were amended.

Update on the Venture Capital Program (11:22 a.m.)

Marquita Russel, chief executive officer, NMFA, provided an update on program implementation pursuant to the Venture Capital Program Act. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/2/2024&ItemNumber=3>.

Update on the Opportunity Enterprise Housing Program (1:10 p.m.)

Note: Due to poor audio quality, the contents of this agenda item are summarized below. The audio quality issues are resolved at 1:40 p.m. on the webcast.

Ms. Russel provided an update on implementation of the newly named Opportunity Enterprise and Housing Development Act. She provided an overview of House Bill 195 (2024), which expanded that act to allow for housing development assistance, among other changes. Ms. Russel also informed the committee about the rulemaking activity of the Opportunity Enterprise and Housing Development Review Board. The NMFA is tasked with establishing loan structuring policies for both the Opportunity Enterprise Revolving Fund and the Housing Development Revolving Fund. An overview of those policies is available on pages four through nine of the handout linked below.

Because there is diversity of what can be funded, the Opportunity Enterprise and Housing Development Review Board focused on housing projects that could be done quickly and most cost-effectively. These projects include those that needed partial funding — specifically, projects that could be started or existing projects that could be finished. She then addressed other factors for project prioritization. A summary of the proposed prioritization policies is available on pages eight and nine of the handout linked below.

A subsequent discussion among the committee members begins at 1:40 p.m. on the webcast. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/2/2024&ItemNumber=4>.

NMFA Innovative Tools (2:17 p.m.)

Ms. Russel and Fernando Martinez, deputy director, NMFA, provided a presentation on innovative financing strategies utilized by the NMFA. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/2/2024&ItemNumber=5>.

Report on the Economic Development Revolving Fund (3:44 p.m.)

John Brooks, chief of programs, NMFA, provided a report on the Economic Development Revolving Fund. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/2/2024&ItemNumber=6>.

Recess

The meeting recessed at 5:00 p.m.

Wednesday, July 3

Reconvene

The meeting reconvened at 8:57 a.m.

Report from the Cultural Affairs Department (9:09 a.m.)

Debra Garcia y Griego, secretary, Cultural Affairs Department, and Michelle Gallagher Roberts, deputy secretary, Cultural Affairs Department, provided a report on the Cultural Affairs Facilities Infrastructure Fund. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/2/2024&ItemNumber=7>.

Report from the New Mexico Renewable Energy Transmission Authority (RETA) (10:25 a.m.)

Lynn E. Mostoller, executive director, RETA, provided the annual report from the RETA. Ms. Mostoller was accompanied by Mariposa Padilla Sivage, general counsel, RETA, who addressed legal questions that were raised by the committee. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/2/2024&ItemNumber=8>.

Local Government Planning Fund Rules (11:43 a.m.)

Michael Vonderheide, managing director, Public Programs, NMFA, and Bryan Otero, compliance officer and deputy general counsel, NMFA, presented the new rules for the Local Government Planning Fund. On a motion duly made and seconded, the committee then approved those rules. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=NMFA&Date=7/2/2024&ItemNumber=9>.

Adjournment

There being no further business before the committee, the meeting adjourned at 11:51 a.m.