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AN ACT

RELATING TO ECONOMIC DEVELOPMENT; EXTENDING THE DATE BY WHICH
STATEWIDE ECONOMIC DEVELOPMENT FINANCE ACT STANDARD PROJECTS
MUST BE APPROVED BY LAW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 6-25-6 NMSA 1978 (being Laws 2016,
Chapter 38, Section 1, as amended) is amended to read:

"6-25-6. NEW MEXICO FINANCE AUTHORITY--ADDITIONAL
POWERS AND DUTIES.--

A. To implement a program to assist eligible
entities in financing projects, the authority has the powers
specified in this section.

B. State projects receiving financing assistance
with money in the fund shall first be approved by law. To
protect public money in the fund or other public resources,
rules of the authority relating to state projects shall
include provisions to ensure achievement of the economic
development goals of the state project and shall describe the
means of recovering public money or other public resources if
an eligible entity defaults on its obligations to the
authority.

C. Standard projects receiving financing
assistance with money in the fund shall be approved by the
authority pursuant to rules approved by the New Mexico

1 finance authority oversight committee. Beginning July 1,
2 2027, standard projects shall first be approved by law.

3 D. The authority may:

4 (1) issue project revenue bonds on behalf of
5 an eligible entity, payable from the revenues of a project
6 and other revenues authorized as security for the bonds, to
7 finance a project on behalf of an eligible entity;

8 (2) make loans from the fund for projects to
9 eligible entities that establish one or more dedicated
10 sources of revenue to repay the loan from the authority;

11 (3) enter into loan participation agreements
12 from the fund for projects, whether in the form of an
13 interest rate buy-down, the purchase of loans or portions of
14 loans originated and underwritten by third-party lenders or
15 other similar arrangements;

16 (4) provide loan guarantees from the fund
17 for projects;

18 (5) make, execute and enforce all contracts
19 necessary, convenient or desirable for purposes of the
20 authority or pertaining to project revenue bonds, economic
21 development revolving fund bonds, loans, loan participations
22 or loan guarantees and the Statewide Economic Development
23 Finance Act and pay the reasonable value of services rendered
24 to the authority pursuant to the contracts;

25 (6) purchase and hold loans and loan

1 participations in the fund at prices and in a manner
2 determined by the authority;

3 (7) sell loans and loan participations
4 acquired or held by the authority in the fund at prices and
5 in a manner determined by the authority;

6 (8) prescribe the form of application or
7 procedure required of an eligible entity to apply for
8 financing assistance;

9 (9) fix the terms and conditions of the
10 financing assistance, including the priority of lien and type
11 of collateral or other security, and enter into agreements
12 with eligible entities with respect to financing assistance;

13 (10) fix, revise from time to time, charge
14 and collect fees and other charges in connection with the
15 issuance of bonds; the making, purchase, participation in or
16 guarantee of loans; and the review of proposed financing
17 assistance to an eligible entity, whether or not the
18 financing assistance is provided;

19 (11) employ architects, engineers,
20 accountants and attorneys; construction and financial
21 experts; and such other advisors, consultants and agents as
22 may be necessary in its judgment, and fix and pay their
23 compensation;

24 (12) to the extent allowed under its
25 contracts with the holders of bonds of the authority, consent

1 to modification of the rate of interest, time and payment of
2 installments of principal or interest, security or any other
3 term of financing assistance;

4 (13) consider the ability of the eligible
5 entity to secure financing for a project from other sources
6 and the costs of that financing;

7 (14) acquire fee simple, leasehold,
8 mortgagor's or mortgagee's interests in real or personal
9 property and sell, mortgage, convey, lease or assign that
10 property for authority purposes; and

11 (15) in the event of default by an eligible
12 entity, enforce its rights by suit, mandamus and all other
13 remedies available under law.

14 E. The authority shall adopt rules subject to
15 approval of the New Mexico finance authority oversight
16 committee to:

17 (1) establish procedures for applying for
18 financing assistance;

19 (2) establish credit qualifications for
20 eligible entities and establish terms and conditions for
21 financing assistance;

22 (3) establish economic development goals for
23 projects in consultation with the department;

24 (4) establish methods for determining
25 quantifiable benefits;

1 (5) provide safeguards to protect public
2 money and other public resources provided for a state
3 project;

4 (6) establish procedures by which the
5 authority requests approval by law for projects receiving
6 financing assistance with money in the fund; and

7 (7) establish fees to pay the costs of
8 evaluating, originating and administering financing
9 assistance.

10 F. The authority shall coordinate with the
11 department to provide staffing and other assistance to the
12 department in carrying out the department's responsibilities
13 and activities pursuant to the Statewide Economic Development
14 Finance Act.

15 G. The authority shall report to the New Mexico
16 finance authority oversight committee twice each year
17 regarding the total expenditures from the economic development
18 revolving fund for the previous fiscal year, the purposes for
19 which expenditures were made, an analysis of the progress of
20 the projects funded and proposals for legislative
21 action."

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