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Gov. Michelle Lujan Grisham
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Application for New Business Assistance Now Available
SIC launches $100 million NM Recovery Fund

SANTA FE – Applications are now available for a State of New Mexico emergency loan program to support larger businesses hardest hit by the COVID-19 health emergency.

On April 7, the New Mexico State Investment Council unanimously approved guidelines for the New Mexico Recovery Fund, which will invest up to $100 million of the Severance Tax Permanent Fund in a short-term loan program, newly created for emergency business lending.

“As we battle this pandemic, we have to explore every avenue for both protecting public health and assuring economic relief for affected individuals and businesses,” Gov. Michelle Lujan Grisham said. “This is an important step, and we will, as a state, continue to advocate for and execute essential assistance programs.”

Businesses in New Mexico with 40 or more employees, which were credit-worthy prior to the pandemic, may apply for loans, starting at $500,000, with interest rates between 3% and 10%. The NM Recovery Fund is aimed at companies: with substantial negative impacts related to COVID-19; which demonstrate an intent to retain as many employees as possible over the life of the loan; and that will commit to spending at least 80% of loan proceeds in New Mexico (spending 100% of loan proceeds in New Mexico preferred).

The NM Recovery Fund is intended to complement federal loan programs like the CARES Act, as well as $25 million in new emergency small business loans being offered by the NM Small Business Investment Corporation.

The NM Recovery Fund will be managed by Sun Mountain Capital, a Santa Fe investment adviser. The application is a two-step process with businesses initially filing a short questionnaire to see if they meet qualifications. Once approved, a formal submission will be requested.

For additional questions and to begin the loan application process, please visit sunmountaincapital.com

“The new fund should provide some liquidity to businesses looking to maintain operations during this period of uncertainty,” State Investment Officer Steve Moise said. “The NM Recovery Fund will seek to fill a gap left by existing loan programs.”

The loans can also be a bridge to longer-term funding that is available from the U.S. Small Business Administration through the CARES Act and various state programs offered by the Economic Development Department.

Economic Development Department Secretary Alicia J. Keyes said Gov. Michelle Lujan Grisham has been very aggressive in finding ways to help businesses that have closed or reduced operations during the health emergency.

“The state is looking to do everything we can to help business through this crisis and save jobs,” Secretary Keyes said.

On March 12, Gov. Lujan Grisham authorized two assistance programs by the EDD. The COVID-19 Loan Guarantee Program works with lenders to help guarantee loans to businesses, making it easier for them to qualify. The second provides no-interest loans from the LEDA fund to economic base businesses.

For complete information about the business assistance programs, go the EDD website, GONM.biz

For comprehensive information about COVID-19 in the state go to NEWMEXICO.GOV.

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The New Mexico Economic Development Department's mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive.

New Mexico Economic Development Department
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