



EDD

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DEPARTMENT

Contact: Bruce Krasnow
Bruce.Krasnow@edd.nm.gov
(505) 795-0119

Gov. Michelle Lujan Grisham
Cabinet Secretary Alicia J. Keyes
Deputy Secretary Jon Clark

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EDD Launches SSBCI Investment Information Webpage

SANTA FE, N.M. – The Economic Development Department (EDD) has launched an informational page on its website to answer questions and receive public feedback about the U.S. Department of Treasury’s \$74.4 million allocation to the State of New Mexico through the State Small Business Credit Initiative (SSBCI). New Mexico’s allocation will be deployed over the 10-year life of the program into two program types: Collateral Support and a Venture Capital (VC)/Equity program.

The information page can be found on their website at EDD.NewMexico.gov/ssbci.

The allocation was announced Oct. 11 by the U.S. Department of Treasury to boost capital assistance and invest in socially and economically disadvantaged businesses.

The goals of the initiative are to promote equity, catalyze private investment, and fuel economic growth and good jobs.

What You Need to Know:

Approximately \$9 million of New Mexico’s allocation is being used to replenish a 2018 EDD program called the **Collateral Assistance Program (CAP)**.

- CAP helps small businesses qualify for commercial loans by providing additional collateral to meet lending requirements. The newest version of the CAP program will be up and running within 90 days.
- SSBCI funding will be dispersed over the life of the 10-year program.
- Businesses work with a commercial lender (credit union, bank, CDFI) that applies to CAP to fill collateral shortfalls in the loan. Businesses do not apply to EDD directly. Approximately 20 banks in New Mexico participate in the CAP program. [View a list of participating lenders and program information on the EDD website.](#)

The remaining SSBCI capital will be deployed over a 10-year period into multiple **VC/equity funds** as EDD continues to meet federal benchmarks.

- The VC/equity program is designed to leverage federal dollars with private funding, significantly increasing funding available to new and growing companies in New Mexico.
- Businesses will seek investment from the funds directly, not through the Economic Development Department. Fund managers will invest according to their respective program guidelines and eligibility requirements.
- Receiving VC investment is not a suitable financing solution for all businesses.

EDD is currently developing the programs' investment policies and priorities with input from stakeholders, the SSBCI Advisory Committee and EDD's Investment Advisor. Additionally, a capital landscape survey is being conducted. Businesses interested in exploring investment opportunities should expect EDD to invest in several funds in the first quarter of 2023. Please check the EDD website and [join the agency email list](#) for further information.

Fund managers interested in exploring investment opportunities can send an inquiry on EDD's website: www.tfaforms.com/5016030.

Businesses who receive SSBCI funds will also be eligible to receive technical assistance through the program at a later date.

The SSBCI landing page is at EDD.NewMexico.gov/ssbc.

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EDD's mission is *to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive*. EDD's programs contribute directly to this mission by training our workforce, providing infrastructure that supports business growth, and helping *every community* create a thriving economy. Since January 1, 2019, EDD has supported more than 14,000 new jobs and trained 9,401 New Mexicans for better pay. EDD has utilized LEDA to make investments in 56 businesses, supporting more than 8,600 new jobs at an average wage of \$65,748, \$570 million in annual payroll, \$7.2 billion in new capital investment, and a ten-year economic impact of \$34+ billion. Forty communities across 22 counties have benefited from EDD programs.

New Mexico Economic Development Department
EDD.NewMexico.gov

