

**PROGRAM:** New Mexico Business Bonds

**AGENCY:** New Mexico State Investment Council (SIC)

**DESCRIPTION:** Also referred to as the "BBB Program". The State of New Mexico is authorized by legislation to invest up to \$20 million in a debt instrument rated BBB or better, or secured by a letter of credit from an institution rated A or better.

**ELIGIBLE USE:**

- Proceeds are used to expand or relocate an industrial project in New Mexico.

**PROGRAM/LOAN STRUCTURE:**

- Maximum Program Benefits: Proceeds finance plant and equipment.
- Maturities: Not to exceed 20 years.
- Rates: The yield on the investment is set at the treasury yield for a comparable maturity plus 50 to 100 basis points, depending on the financial condition of the borrower and the nature of the investment.

**QUALIFICATION CRITERIA/COMMENTS:**

- Investment shall not exceed 100% of the total project cost, or \$20 million, whichever is less.
- Ratings must be established by a national rating service.
- SIC may establish terms for debt retirement affecting both principle and interest to meet the needs of the borrower.
- No more than 10% of the STPF may be invested in this program.
- See [7-27-5.4 NMSA](#) for more information.
- Visit [http://www.state.nm.us/nmsic/other\\_invest.htm](http://www.state.nm.us/nmsic/other_invest.htm) for some information.
- Contact Scott Smith for more information: [scott.smith@state.nm.us](mailto:scott.smith@state.nm.us) .