SENATE BILL 175

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

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AN ACT

RELATING TO ECONOMIC DEVELOPMENT; AMENDING THE CHILD CARE
FACILITY REVOLVING LOAN FUND; ALLOWING THE EARLY CHILDHOOD
EDUCATION AND CARE DEPARTMENT AND THE NEW MEXICO FINANCE
AUTHORITY TO CONTRACT FOR SERVICES WITH PROVIDERS OR EMPLOYERS
SEEKING TO CREATE OR EXPAND CHILD CARE PROGRAMS FOR AN
EMPLOYER'S EMPLOYEES; PROVIDING CONDITIONS; EXPANDING USES OF
THE LOANS.

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

SECTION 1. Section 24-24-4 NMSA 1978 (being Laws 2003,
Chapter 316, Section 4, as amended) is amended to read:

"24-24-4. FUND CREATED--ADMINISTRATION.--

A. The "child care facility revolving loan fund" is
created in the New Mexico finance authority to provide low-
interest, long-term loans to providers to make health and

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1   safety improvements in their facilities and for operating

2   capital. The fund shall consist of appropriations, gifts,

3   grants and donations to the fund, which shall be invested as

4   provided in the New Mexico Finance Authority Act. Money in the

5   fund shall not revert and is appropriated to the department,

6   which shall utilize the fund for the purposes of the Child Care

7   Facility Loan Act. Administrative costs of the authority may

8   be paid from the fund.

9   B.   Money in the fund shall be used to make loans to

10   providers that demonstrate the need to make health and safety

11   improvements, including space expansion, in order to maintain

12   an adequate and appropriate environment for their clients; to

13   providers seeking to expand child care programs; to employers

14   to create or expand high-quality child care programs for the

15   employer's employees; and for the department and the New Mexico

16   finance authority to contract for services with providers and

17   employers seeking to create or expand child care programs for

18   the employer's employees as reasonably adequate legal

19   consideration from money from the fund. Loans from the fund

20   are to be made at an interest rate greater than zero percent

21   for a term that does not exceed the useful life of the project

22   being financed.

23   C.   No more than twenty percent of the fund may be

24   loaned for a single provider in a single project. The

25   department shall give priority for loans to [facilities of]

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1   providers that serve proportionately high numbers of state-

2   subsidized clients and low-income families that are located in

3   communities with high poverty rates and that provide

4   nontraditional-hour child care.

5   D. The department and the New Mexico finance

6   authority shall enter into a contract for services with a

7   provider or an employer seeking to create or expand child care

8   programs for the employer's employees; provided that within

9   five years of disbursement of the loan, the provider or

10   employer:

11   (1) is located in a designated child care

12   desert;

13   (2) demonstrates that at least fifty percent

14   of the children that the provider or employer serves are

15   recipients of a child care assistance program expanded or

16   created by the provider or employer;

17   (3) demonstrates that the number of children

18   served by the provider or employer increased by ten percent;

19   and

20   (4) satisfies other qualifications as

21   determined by the department and the New Mexico finance

22   authority.

23   [D.] E. The department, in conjunction with the New

24   Mexico finance authority, shall adopt rules to administer and

25   implement the Child Care Facility Loan Act. The rules shall

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become effective when filed in accordance with the State Rules
Act."

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