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State Funds Give Businesses Access to Capital

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Lots of small-business owners need cash to get their companies off the ground or pursue opportunities to build their client base. But some of those businesses can't get loans from traditional sources that focus on established businesses.



These are the clients that the New Mexico Small Business Investment Corporation exists to serve. Since its creation by the Legislature in 2001, NMSBIC has distributed money from the Severance Tax Permanent Fund through its lending partner network to small businesses statewide. Partner organizations apply their own underwriting standards when deciding which businesses to back, but they generally serve clients with a solid business plan, an ambitious owner or management team and a venture that seems likely to create jobs. Since 2004, the network has approved more than 3,000 loans to businesses in nearly every New Mexico community.

The network's largest lending partner, The Loan Fund, joined forces with NMSBIC more than a decade ago. It tailors loans to individual circumstances and offers its clients a bonus: expert business advice.

Accion also provides intellectual capital along with financial capital. Clients are entitled to mentoring, technical assistance and training through workshops on small-business management and financial and personal development.

NMSBIC's third partner is WESST, a nonprofit organization that targets low-income women and minorities, though any New Mexican who wants to start or expand a business can apply for a loan or take advantage of the business consulting and training, technical assistance and support services WESST offers.

The NMSBIC doesn't compete with traditional banks. It exists to help businesses that lack access to traditional banking sources. These include businesses with creditworthy loan requests that were deemed too small or too risky or not well suited for the bank's lending policies.

NMSBIC holds public meetings 8-10 times a year in Albuquerque, but once a year the board hosts a forum to introduce NMSBIC financial program lenders to other communities. This year the forum will be held in Clovis, New Mexico on Oct. 27.

The theme of the meeting is “Accessing Capital in New Mexico.” Local and state business service providers will discuss free and low-cost services to businesses, and representatives from lending organizations will answer audience questions. Participants include representatives from Accion, The Loan Fund, WESST and Rio Vista Growth Capital. Clovis Industrial Development Corporation, Roosevelt County Development Corporation, and the Small Business Development Center at Clovis Community College are also participants.

“The NMSBIC board is excited to have this opportunity to share information with members of the community in Eastern New Mexico,” said Launa Waller, NMSBIC board member and regulatory manager at Plateau, a telecom company serving Eastern New Mexico and West Texas.

The event, hosted by the Clovis/Curry County Chamber of Commerce, is set for 11:30 a.m. to 1:30 p.m. at the Business Enterprise Center, 105 E. Grand Ave. Admission is \$10 for visitors who wish to have lunch; they should register with the Clovis/Curry County Chamber of Commerce at (575) 763-3435 or clovisnm@clovisnm.org no later than Oct. 23.

For more information about the meeting and NMSBIC’s debt and equity partners, visit www.nmsbic.org.

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