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Cannabis Control Division

December 2, 2021

State Creates \$5-million Loan Program for Cannabis Microbusinesses

New Fund Part of Commitment to Social Equity in Cannabis Industry

SANTA FE—The New Mexico Finance Authority Oversight Committee on Tuesday approved a new, \$5-million loan program aimed at helping licensed cannabis microbusiness—specifically those operated by members of communities disproportionately impacted by previous cannabis law enforcement or located in rural communities—succeed.

“Through the Cannabis Microbusiness Loan Program, NMFA looks forward to providing access to capital to help even more New Mexicans benefit from the economic opportunities created by the legalization of adult-use cannabis,” said Marquita Russel, Chief Executive Officer of the New Mexico Finance Authority. “This program will give New Mexico small businesses, particularly in rural and economically-disadvantaged communities, a tool to make this industry more accessible and help get their businesses off the ground.”

The Cannabis Microbusiness Loan Program will offer affordable loans to licensed cannabis establishments that demonstrate the technical and managerial capacity to operate but are unable to fund start-up costs due to their size, socio-economic or

demographic characteristics

With \$5 million dedicated to the program overall, individual loans will be up to \$250,000 with an expected average loan size of \$100,000. There is a minimum 5 percent equity requirement and the loans will be fully collateralized. Loan terms will go up to 5 years and interest rates will vary from 2 to 3 percent.

“The Cannabis Control Division, throughout our ongoing open and transparent rulemaking process, has listened to and really heard concerns that it’s hard for microbusinesses to access the capital needed to start a successful business,” said Linda Trujillo, superintendent of the Regulation and Licensing Department, which houses the Cannabis Control Division. “This Administration is committed to creating a thriving cannabis industry that incorporates New Mexico’s values of social equity and fairness. We are grateful to be able to work with the New Mexico Finance Authority to put forward this loan program to make good on our commitment to social equity in this exciting new industry.”

The Cannabis Regulation Act, passed by the Legislature earlier this year and signed into law by Gov. Michelle Lujan Grisham, legalized the sale of adult-use cannabis in New Mexico. The CRA included a Social and Economic Equity mandate to promote and encourage full participation in the cannabis industry. The legislation specifically aims to lift up communities that have been disproportionately harmed by rates of arrest through the enforcement of cannabis prohibitions; rural communities likely to be impacted by cannabis production; and agricultural producers from economically disadvantaged communities.

Sales of adult-use cannabis will begin in New Mexico no later than April 1, 2022.

The application system for the Cannabis Microbusiness Loan program is expected to be available by February 1st and applications will be accepted and reviewed on a monthly basis. The first loans are expected to be made in March 2022.

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The New Mexico Regulation and Licensing Department, which houses the Cannabis Control Division, regulates more than 500,000 individuals and businesses in 35 industries, professions, and trades across the state. Our goal is to assure that New Mexicans receive quality services from qualified individuals and businesses while also ensuring a fair and prompt administrative process. Our priority is your protection.

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professionals provide quality care and services to all people of New Mexico.



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