



# State of New Mexico

## *Office of the Governor*

**Bill Richardson**  
Governor

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### **Governor Bill Richardson announces tough regulations – including moratorium – for payday lenders**

*Governor also outlines efforts on wind energy, minimum wage and new  
schools*

SANTA FE - Governor Bill Richardson today outlined tough, new regulations designed to regulate payday lenders to end abusive practices against consumers. The New Mexico Regulation & Licensing Department, which currently regulates lenders, will implement the new rules – starting with a moratorium on new licenses for payday lenders in the state.

“Our plan to protect consumers against predatory lenders lost out to politics,” Governor Bill Richardson said about the recent legislative session. “But I am not throwing my hands up and giving in to gridlock. I was elected to make a difference. And that’s what I’m going to continue to do for the people of New Mexico.”

Governor Richardson directed the Regulation & Licensing Department, through its Financial Institutions Division, to take action through regulation to accomplish much of what the Legislature failed to put into law, including:

1. Limit renewals and rollovers of payday loans
2. Provide transaction rate and fee caps on payday loans

3. Launch an aggressive consumer advocacy program to inform consumers that they do not have to repay payday loans made by anyone who is not duly licensed to make such loans.
4. Formulate regulations that protect New Mexico's consumers from predatory and abusive practices.

“We can go back to the Legislature next year to make changes in state law,” Governor Richardson said. “But I’m not going to wait for the Legislature to take action. I’m keeping my promise to move aggressively to protect consumers.”

Governor Richardson also discussed ongoing efforts to tackle several other priority issues that came up short during the legislative session.

### **Transmission Authority**

Governor Richardson directed the Energy and Minerals Department to begin the technical work that the Authority would have started this summer.

This includes reaching out to the regulatory authorities in other states, working with players in the private sector who are particularly interested in getting New Mexico's wind energy to market, and developing interstate agreements with respect to development of New Mexico's wind energy.

### **Minimum Wage**

Governor Richardson is pursuing a possible attempt to increase the minimum wage in Albuquerque – based on his proposal that was considered in the Legislature.

The Governor discussed this issue with some city officials, and his staff has discussed it with advocates.

“If I believe it is feasible, I will discuss it with Albuquerque business leaders who endorsed my bill during the session,” Governor Richardson said. “I don’t want a divisive campaign that splits the city. I want to bring advocates, businesses and city officials together to pass a meaningful wage that is sensitive to business concerns -- either as a stand-alone election or in concurrence with the general election.”

### **High-Growth Schools**

Governor Richardson met today with community leaders from Albuquerque's West Side, along with Albuquerque Public Schools officials, to figure out ways to move more quickly to get new schools built.

“I worked hard this session to get a bill passed, along with \$90 million dollars to invest in new schools in high-growth communities,” Governor Richardson said. “I had a productive meeting today with those leaders. They thanked me for my support of this critical funding, and expressed a desire to continue to work with me to find more funding.