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## FISCAL IMPACT REPORT

ORIGINAL DATE 2-6-09

SPONSOR Ortiz y Pino LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE County Affordable Housing SB 244

ANALYST Leger

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY09	FY10	FY11		
	\$0.1	\$0.1	Recurring	Counties General Fund
	\$0.1	\$0.1	Recurring	Housing Trust Fund

(Parenthesis ( ) Indicate Revenue Decreases)

Relates to HB 154, SB 209, and SB 211

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Finance and Administration (DFA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 244 seeks to amend the Recording Fee Act. County clerks will be required to charge an additional \$30 flat fee for each instrument recorded. Of that \$30, \$5 will be deposited in the county's general fund and \$25 shall be remitted to DFA, which in turn shall remit to the state housing authority to deposit in the New Mexico Housing Trust Fund for affordable housing.

## **FISCAL IMPLICATIONS**

DFA and the New Mexico Coalition to End Homelessness estimate the bill will generate an estimated \$10,000.0 annually for the Housing Trust Fund and \$2,000.0 annually for counties general fund.

## **SIGNIFICANT ISSUES**

The funding received by the counties shall be deposited into a county clerk recording and filing fund, which shall be established by the county. Expenditures from the county clerk fund shall be approved by the board of county commissioners and only used to rent, purchase, lease or lease-purchase recording equipment and for supplies, training and maintenance for such equipment; equipment associated with all regular duties in the county clerk's office; and vehicles.

Statutorily created in 2005, the Housing Trust Fund has received approximately \$15 million in state funds since its inception. The Housing Trust Fund is administered by the New Mexico Mortgage Finance Authority (MFA).

## **PERFORMANCE IMPLICATIONS**

MFA has held quarterly funding rounds since late 2005. Funds are awarded to the most competitive application, regardless of activity, based on merit. Here are some quick facts regarding the funding process:

- MFA has 20 active projects in the pipeline to which \$14,711,855 has been awarded in Housing Trust Funds
- These awards have leveraged \$163,858,899 in other public and private funding (more than 11:1)
- When completed, these awarded projects will comprise 2,029 units in 14 counties, one pueblo, one reservation, and one colonia:
  - 1,242 units of single family for-sale housing
  - 132 units of owner-occupied housing rehabilitation
  - 655 rental units

## **RELATIONSHIP**

HB 154 – Severance tax bonds projects

SB 209 – Expands affordable housing housing tax credits

SB 211 – Appropriates \$15,000.0 to the New Mexico Housing Trust Fund

JL/mc