

1 SENATE BILL 119

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026**

3 INTRODUCED BY

4 Antonio Maestas

10 AN ACT

11 RELATING TO FINANCE; CREATING THE DEMOLITION FUND; ALLOWING THE  
12 LOCAL GOVERNMENT DIVISION OF THE DEPARTMENT OF FINANCE AND  
13 ADMINISTRATION TO PROVIDE GRANTS FOR COUNTIES AND  
14 MUNICIPALITIES OR OTHER PROPERTY OWNERS TO DEMOLISH  
15 DETERIORATED OR CONDEMNED RESIDENTIAL PROPERTIES; MAKING AN  
16 APPROPRIATION.

17  
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

19 **SECTION 1. [NEW MATERIAL] DEMOLITION FUND.--**

20 A. The "demolition fund" is created in the state  
21 treasury. The fund consists of appropriations, gifts, grants,  
22 donations and income from investment of the fund. Money in the  
23 fund at the end of a fiscal year shall not revert to any other  
24 fund. The local government division of the department of  
25 finance and administration shall administer the fund, and money

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in the fund is appropriated to the local government division to provide grants to counties and municipalities to:

(1) demolish condemned residential properties;

and

(2) provide reimbursement for demolition costs incurred by a residential property owner pursuant to a county or municipal demolition program.

B. Disbursements from the fund shall be made by warrant of the secretary of finance and administration pursuant to vouchers signed by the secretary of finance and administration or the secretary's authorized representative.

C. By December 1, 2026, the local government division of the department of finance and administration shall promulgate rules for the administration of the demolition fund, including procedures for providing grants to counties and municipalities to:

(1) demolish condemned residential properties;

and

(2) create a program that allows a property owner to apply for reimbursement for costs to demolish the applicant's residential property; provided that the property is:

(a) in a slum or blighted area subject to a metropolitan redevelopment project; or

(b) significantly deteriorated and the

1 owner includes documentation in the application for  
2 reimbursement showing that the costs of repairs significantly  
3 outweigh the costs of demolition.

4 **SECTION 2. APPROPRIATION.--Five million dollars**  
5 (\$5,000,000) is appropriated from the general fund to the  
6 demolition fund for expenditure in fiscal year 2027 and  
7 subsequent fiscal years to provide grants to counties and  
8 municipalities to demolish condemned residential properties in  
9 accordance with rules promulgated by the local government  
10 division of the department of finance and administration  
11 pursuant to Section 1 of this act. Any unexpended balance  
12 remaining at the end of a fiscal year shall not revert to the  
13 general fund.

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