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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/22/2008

SPONSOR     Martinez, R.     LAST UPDATED                      HB                     

SHORT TITLE     Low-Income Household Home Repairs     SB     212    

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ANALYST     Leger    

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$2,000.0	Non-Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Mortgage Finance Authority (MFA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 212 appropriates \$2 million from the general fund to the Department of Finance and Administration (DFA) for expenditure in FY09 & FY10 for disbursement to MFA for emergency and minor repairs of homes occupied by low-income persons in New Mexico.

### FISCAL IMPLICATIONS

The appropriation of \$2 million contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY10 shall revert to the general fund.

### SIGNIFICANT ISSUES

The funding amount of \$2 million could assist approximately 255 households by providing emergency and minor repairs of homes occupied by low-income persons in New Mexico. Emergency and minor repairs would include those necessitated by natural disasters, repair and replacement of roofs and accessibility modifications for physically impaired persons.

## PERFORMANCE IMPLICATIONS

MFA provided information for the need for an *Emergency Home Repair Program*. The evidence compiled from U.S. Census Bureau, *2006 American Community Survey*, to determine the statewide current status of housing conditions and housing needs. A summary of the key findings show:

- There are 850,000 housing units in the state;
- The estimated state population is 2,000,000
- 18.5% of the state's population live below the poverty line;
- 25.6% of the population under 18 years live below the poverty line;
- 13.0% of persons 65 years or older live below the poverty line;
- 16.6% of the population age 18 to 64 years old are disabled;
- 42% of the population 65 years and over are disabled;

### Unemployment Statistics

- The unemployment rate for the State is 7.3%, but for those below the poverty level it is 22.2%.

### Housing Units Lacking Plumbing/Kitchen Facilities

- 1.8% of occupied housing units are lacking complete plumbing facilities;
- 1.6% of occupied housing units are lacking complete kitchen facilities;

Disasters occurring in New Mexico over the last several years, especially flooding in 2006 and 2007, and tornados in 2007, have underscored the need for emergency repair funding.

## ADMINISTRATIVE IMPLICATIONS

The program will be administered by MFA. No more than five percent of this appropriation shall be used by MFA for administrative expenses.

JLL/bb