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FISCAL IMPACT REPORT

ORIGINAL DATE 02/04/12

SPONSOR Harden **LAST UPDATED** _____ **HB** _____

SHORT TITLE Manufactured Homes to Construction Industries **SB** 55

ANALYST Chabot

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY12	FY13	FY14	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Minimal				

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB 79

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of Bill

Senate Bill 55 amends Section 9-16-4 NMSA 1978, the Regulation and Licensing Department Act, to eliminate the Manufactured Housing Division (MHD) and transferring functions, personnel, property, contractual obligations and statutory references to the Construction Industries Division (CID) of RLD. The bill amends Sections 60-14-4 and 60-14-5, Manufactured Housing Act, substituting references to “regulations” with “rules.”

FISCAL IMPLICATIONS

The bill would eliminate the need for a director of which could result in some savings; however, for the past year the director position for both CID and MHD have been filled by the same person. The General Appropriation Act of 2011 has CID and MHD in the same appropriation. Any savings would probably be minimal.

SIGNIFICANT ISSUES

RLD reports the combination of duties of the two divisions under one director has been effective

and “there has been no decrease in the service provided to either industry.” The bill removes approval authority for rules, codes, standards, consumer protection bond requirements, license suspensions or revocations and license classification from the Manufacture Housing Committee and puts them under the CID; however, the Construction Industries Commission will not a position for a manufactured housing industry representative.

ADMINISTRATIVE IMPLICATIONS

Since this bill will statutorily change what currently is in effect, administrative changes will be minor. One area requiring change will be the relationship with the federal Housing and Urban Development Department that authorizes MHD to inspect manufactured home plants.

ALTERNATIVES

An alternative mentioned by RLD would be to allow the Manufactured Housing Committee to continue with current statutory authority.

GAC/lj