

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

SPONSOR Rodriguez LAST UPDATED _____
Housing Authority Commissioner ORIGINAL DATE 2/27/2023
SHORT TITLE Employment BILL NUMBER Senate Bill 398
ANALYST Leger

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
		No fiscal impact	No fiscal impact			

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Responses Received From

New Mexico Mortgage Finance Authority (MFA)

No Response Received

Department of Finance and Administration (DFA)

New Mexico Municipal League

SUMMARY

Synopsis of Senate Bill 398

Senate Bill 398 amends Section 3-45-5 NMSA 1978, striking language stating a commissioner of an authority shall not hold any other office or employment of the city for which the authority is created.

This bill does not contain an effective date and, as a result, would go into effect June 16, 2023, (90 days after the Legislature adjourns) if signed into law.

FISCAL IMPLICATIONS

SB398 relates to municipalities and the governance of a housing authority. Fiscal responsibility belongs to the city in which the housing authority was created.

SIGNIFICANT ISSUES

MFA reports the following:

Public housing authorities (PHAs) operate subject to the U.S. Department of Housing and Urban Development (HUD) and the Code of Federal Regulations (CFR). Section 24 CFR 982.161 provides the requirements of annual contributions contract between HUD and a PHA related to conflicts of interest. Part 982 also addresses the administration of Section 8 Tenant Based Assistance and Housing Choice Voucher Program by PHAs.

PHA employees, including commissioners, are subject to the Hatch Act which is a federal law that regulates the political activities of Federal employees and some state and local government workers.

SB398 removes restrictive language, however, nothing in the bill is in direct conflict with Federal policies and commissioners would still be subject to Federal laws and regulations.

JL/al/ne