LFC Requester:	Jeannae Leger
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AGENCY BILL ANALYSIS 2024 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

<i>Ch</i> Original Correction	eck all that apply: X Amendment Substitute				Date 1/29/2024 Bill No: SB 212
	Antonio Maestas	Agency and Coo Number	de		Mexico Mortgage Finance nority (MFA) 992
Short	REGIONAL	Person '	Writing		Robyn Powell
Γitle:	AFFORDABLE HOUSING	Phone:	505.767.	2271	Email rpowell@housingnm.org
CECTION	III. EICCAI IMBACT				

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropr	iation	Recurring	Fund
FY24	FY25	or Nonrecurring	Affected
NFI	NFI	NFI	NFI

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

	Estimated Revenue Recurring		Fund	
FY24	FY25	FY26	or Nonrecurring	Affected
NFI	NFI	NFI	NFI	NFI

 $(Parenthesis\ (\)\ Indicate\ Expenditure\ Decreases)$

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	NFI	NFI	NFI

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

SB 212 requires Regional Housing Authorities to create and annually update an affordable housing plan that includes the following elements:

- an assessment of the affordable housing availability in the region
- the projected need for affordable housing in the region for a five-year period
- strategies that the regional housing authority plans on implementing to increase the availability of affordable housing based on the projected need by the end of that five-year period.

FISCAL IMPLICATIONS

SB 212 does not appropriate any funding for development or implementation of the plans that the passage of this bill would mandate. These plans could cost each agency \$75,000 and \$150,000, based on similar initiatives.

SIGNIFICANT ISSUES

There are three regional housing authorities (RHAs): Northern Regional Housing Authority, Eastern Regional Housing Authority, and Western Regional Housing Authority. See attached Table 1 for summaries of each authority.

The U.S. Department of Housing and Urban Development (HUD) funds all RHAs, approves operational activities, budgets and conducts all monitoring. In the 2009 Legislative Session, the New Mexico state legislature amended the Regional Housing Law 11-3A-29 NMSA 1978, to redefine the activities of the Regional Housing Authorities and mandated that MFA provide oversight of certain activities, to include submission of an Annual Report, relative to their operations and fiscal activities, to the Department of Finance & Administration (DFA), Legislative Oversight Committee (LOC), and the Legislative Finance Committee (LFC).

RHAs currently produce a universal 5-Year action plan that is reviewed and approved by HUD. The plan is updated annually and provides detail information on the preservation/rehabilitation needs of each property within the RHA's portfolio. The majority of these properties are over 30 years old and in need of significant rehabilitation. A few RHAs are seeking to create a Housing Development Corporation wing to pursue and access more federal and state resources for development.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

In the fall of 2022 MFA published the New Mexico Housing Strategy that addresses components required in SB 212 including: gaps in affordable housing stock, projected development needs, and strategies to increase and preserve affordable housings.

HB 260 proposes a \$500,000 appropriation to the Department of Finance and Administration for New Mexico Mortgage Finance Authority to conduct an affordable housing study that includes the following elements:

- locations in the state where affordable housing is needed
- vacancies in state- and locally owned properties
- state and locally owned land that could be used for housing development the necessity of creating a fund to provide funding for building infrastructure.

AMENDMENTS

Table 1: Regional Housing Authority Summaries

Public Housing Authority	uthority Low-Rent Units	Section 8 Vouchers	
Alamogordo	221	0	
Clayton	50	0	
Clovis	132	608	
Fort Sumner	47	0	
Total	450	608	
Western Regional Housing A	Authority		
Public Housing Authority	Low-Rent Units	Section 8 Vouchers	
Bayard	70	0	
El Camino Real	0	591	
Santa Clara	32	0	
T or C	100	190	
Total	202	781	
Northern Regional Housing	Authority		
Public Housing Authority	Low-Rent Units	Section 8 Vouchers	
Chama	38	0	
Cuba	28	0	
Gallup	263	63	
Pecos	32	0	
Rio Arriba	53	25	
San Juan	0	372	
San Miguel	0	177	
Springer	56	0	
Wagon Mound	19	0	
Total	489	637	