

LFC Requester:	
-----------------------	--

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

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

Check all that apply:

Date Prepared: 01/21/2025

Bill Number: House Bill 43 Original Correction
 Amendment Substitute

Agency Name and Code: The New Mexico Aging and Long-Term Services Department
Number: (ALTSD) 62400

Sponsor: Kathleen Cates

Person Writing: Jennifer Vigil

Short

Phone: (505) 428-8626 **Email:** Jennifer.Vigil@altsd.nm.gov

Title: Housing Income to Rent

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
0	0	0	0

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
0	0	0	0	0

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	0	0	0	0	0	0

(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

Synopsis: House Bill 43 (HB43) amends the Uniform Owner-Resident Relations Act to standardize income screening practices for rental dwelling applicants. The bill mandates that income screening calculations exclude income from federal, state, local, or tribal housing assistance programs. Owners must base decisions on the remaining income-to-rent ratio and include all lawful, recurring, and verifiable income sources, such as pensions, annuities, alimony, and child support, provided documentation is available.

FISCAL IMPLICATIONS. There is no fiscal impact of HB43 for the New Mexico Aging and Long-Term Services Department (ALTSD). Although reevaluation of income screening to exclude income from federal, state, local or tribal housing assistance programs would likely impact a portion of the older adult and adults with disabilities that ALTSD serves.

SIGNIFICANT ISSUES

Older adults and adults with disabilities in New Mexico face significant barriers with securing affordable housing. New Mexican households with seniors (or households with one or more people 65 years of age or older) is 33.8%. Nationwide, the rate of households with seniors is 11.5%.¹ Several New Mexico senior households are considered low or moderate income with 41.8% earning less than \$40,000 annually.² The national rate is 37.7%.³ Recent data indicates a deficit of approximately 41,090 rental homes affordable and available for extremely low-income renters.⁴ Further, rising rents are outpacing wage growth and are putting low-income renters at greater risk, as shown by a 14.5% increase in median rent from 2018 to 2022.⁵

HB43 would require landlords to consider housing assistance in income calculations, which would likely improve access to housing for low-income individuals and families, addressing some of the concerns related to housing affordability. Further, HB43 attempts to address equability concerns while promoting fair housing practices to ensure that housing assistance recipients are not disadvantaged during the rental evaluation process.

PERFORMANCE IMPLICATIONS

HB43 could create housing stability and reduce homelessness rates particularly for low-income seniors and adults with disabilities.

¹ https://housingnm.org/uploads/documents/2024_Housing_Needs_Assessment_Key_Findings.pdf

² https://housingnm.org/uploads/documents/2024_Housing_Needs_Assessment_Key_Findings.pdf

³ https://housingnm.org/uploads/documents/2024_Housing_Needs_Assessment_Key_Findings.pdf

⁴ <https://nlihc.org/housing-needs-by-state/new-mexico>,

https://www.nmlegis.gov/Entity/LFC/Documents/Program_Evaluation_Reports/Housing%20and%20Homelessness%20Prevention%20Program%20Evaluation%20Status%20Update%20FINAL.pdf

⁵ <https://www.nmlegis.gov/handouts/MFA%200072224%20Item%205%20Statewide%20Housing%20Needs%20Assessment.pdf>

ADMINISTRATIVE IMPLICATIONS: If passed, Adult Protective Services (APS), a division within ALTSD, may be able to further advocate for clients who are facing either housing insecurity or homelessness to ensure appropriate and safe housing. Further HB43 could reduce reliance on emergency housing and shelter services funded by public and non-profit programs.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Without changes, there will continue to be a shortage of affordable rental homes available to extremely low-income households who are severely cost burdened.

AMENDMENTS