

<b>LFC Requester:</b>	<b>Noah Montano</b>
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**AGENCY BILL ANALYSIS  
2026 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

**Analysis.nmlegis.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:  
**Original**     **Amendment**      
**Correction**     **Substitute**   

**Date** January 27, 2026  
**Bill No:** HB 17

**Sponsor:** Rep. Andrea Romero  
**Short Title:** Accessory Dwelling Units in  
Certain Areas

**Agency Name and Code Number:** Regulation and Licensing  
Department-420  
**Person Writing** Lori Chavez  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
n/a	n/a	n/a	n/a

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
n/a	n/a	n/a	n/a	n/a

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	n/a	n/a	n/a	n/a	n/a	n/a

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: n/a

Duplicates/Relates to Appropriation in the General Appropriation Act: n/a

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis:

House Bill 17 (HB 17) amends Chapter 3, Article 21 “Zoning Regulations”, at §3-21-1 NMSA 1978 by adding definitions for “accessory dwelling unit”, “major public transit location” and “multifamily housing”. The purpose of HB 17 is to expand the zoning authority of counties and municipalities to require housing that accommodates two (2) kitchens in single family residential dwellings in residential zoning districts, accessory housing in residential zoning districts and multifamily housing in commercial zoning districts and areas near major public transit locations.

HB 17 also adds a new section to Article 3, Article 21 mandating that zoning authorities, including home rule municipalities, accommodate as permitted use the construction of at least one (1) accessory dwelling unit for each lot within residential districts regardless of lot size. The zoning authority shall allow accessory dwelling units:

1. That are attached or detached from the existing residential structure;
2. Have a side and rear set back of no more than five (5) feet from the property line and ten (10) feet from any other structures on the property;
3. That comply with provisions of this Act or will comply after another residential dwelling is constructed;
4. Have combined or separate driveways serving the other residential uses on the property;
5. Have combined or separate utilities serving the other residential uses on the property;
6. Occupy an existing residential or accessory structure; and
7. Occupy an existing residential or accessory structure that has been deemed legally nonconforming to zoning; provided that the nonconformity is not expanded and the occupation shall not violate health and safety standards.

HB 17 prohibits the zoning authority from:

1. Imposing single-family or owner-occupancy requirements;
2. Charging an additional impact fee if the existing utility infrastructure is sufficient to accommodate the accessory dwelling unit;
3. Limiting the maximum size of an accessory dwelling unit to less than one thousand (1,000) gross square feet;
4. Requiring more than one (1) parking space per accessory dwelling unit; and
5. Requiring additional development, review or aesthetic standards more restrictive than for other residential construction permitted on the property;
6. Relying on local ordinance, policy or regulation or homeowner association restrictions

implemented after the 2026 effective date as a basis as a delay or denial of a building permit; and

7. Deeming the accessory dwelling unit exceeds allowable density for the lot if it conforms to the Act.

HB 17 adds a new section to Chapter 3 mandating that local zoning authorities, including home rule municipalities, accommodate as permitted use the construction of multifamily housing in all residential and commercial zoning districts and within one-fourth mile from a major public transit location. The zoning authority shall allow multifamily housing to be constructed with:

1. A minimum density of ten (10) dwelling units per acre;
2. A minimum height of thirty-six (36) feet; and
3. At least one (1) off-street parking space for each unit in addition to required accessible parking.

## **FISCAL IMPLICATIONS**

HB 17, if enacted, is not expected to have any significant fiscal or operational impact on the Construction Industries Division of the Regulation and Licensing Department (RLD) or other divisions of the RLD.

## **SIGNIFICANT ISSUES**

## **PERFORMANCE IMPLICATIONS**

## **ADMINISTRATIVE IMPLICATIONS**

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

## **TECHNICAL ISSUES**

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

## **AMENDMENTS**