

LFC Requester:

Kathleen Gygi

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://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}***Date Prepared:** 1/20/26*Check all that apply:***Bill Number:** HB24Original ☒ Correction ☐Amendment ☐ Substitute ☐**Agency Name****and Code**Dept. of Workforce Solutions-631**Number:****Sponsor:** Kathleen Cates, Marianna Anaya**Short** Professional Recruitment and**Person Writing**Sarita Nair**Title:** Retention Act**Phone:** 505-263-3187 **Email** Evan.Sanchez@dws.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY27	FY28		
\$5,000.0		NR	General Fund

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY27	FY28	FY29		
0	0	0		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY27	FY28	FY29	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None to DWS	None to DWS	None to DWS			

(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: HB24 would require Housing New Mexico/Mortgage Finance Authority (MFA) that would extend loans to certain professionals for down payment or closing costs associated with the purchase of a home in New Mexico in exchange for a commitment to continue practicing in New Mexico for 10 years for at least $\frac{3}{4}$ time.

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

The bill appropriates \$5 million for the program, which would revert at the end of FY27. The bill does not specify what percentage would be used for administrative costs versus paid out directly as down payment or closing costs. MFA would continue to have enforcement obligations for 10 years even if the program only operated for one year, so additional costs would be necessary in FY28 and forward. DWS is unable to determine those enforcement costs.

SIGNIFICANT ISSUES

The bill provides for loans to “qualified professionals” in a variety of health care fields and social workers. The shortages in many of these professions are described in the [New Mexico Health Care Workforce Committee 2024 Annual Report](#).

The bill does not explain how MFA would know whether a qualified professional relocated or stopped practicing in their field. While the Regulation & Licensing Department may be able to report to MFA if a certain professional ceased to be licensed in New Mexico, that would not necessarily track directly to their continued practice in-state. Presumably the loan recipient would have a contractual obligation to report any change in their work.

The bill calls for loans to be extended to professionals who earn an annual income that is below 150% AMI in the county in which the home is located. This does not take into account that many people earning above 150% AMI may still be housing burdened, i.e., paying more than 30% of their income for housing.

PERFORMANCE IMPLICATIONS

None to DWS.

ADMINISTRATIVE IMPLICATIONS

None to DWS.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None known.

TECHNICAL ISSUES

The bill does not require the qualified professional to be a first-time homebuyer or to use the property purchased with the loan as their primary residence. As written, the borrower could purchase a second home, rental home, home for a family member, etc.

Section 5(C) may cause some confusion. Since the bill requires a secured loan, the general law of security would apply and the provision for MFA to “sue in its own name to enforce a contract” may be unnecessarily confusing.

Sections (D)(1)-(3) states that a qualified professional who violates the term of the loan shall repay the loan “using the proceeds from the sale of the property that was purchased using the loan.” This creates confusion as to whether the obligation to repay is contingent on the sale of the home. Qualified professionals who cease to practice may not need or want to sell their homes, and even those who wish to leave New Mexico may want to retain the house. It may make sense to remove that language and simply require repayment.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None known.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Qualified professionals will be limited to participation in other homebuyer incentive programs offered by the state.

AMENDMENTS

None.