

LFC Requester:	Antonio Ortega
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AGENCY BILL ANALYSIS - 2026 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}

Date Prepared: 1/15/26

Check all that apply:

Bill Number: HB 24

Original Correction

Amendment Substitute

Sponsor: Kathleen Cates
Short Sarah Silva
PROFESSIONAL RECRUITMENT
AND RETENTIOMN ACT

Agency Name 992 – New Mexico Mortgage Finance
and Code Authority
Number: (Housing New Mexico | MFA)
Person Writing Robyn Powell
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
	<u>\$5,000</u>	Nonrecurring	General

REVENUE (dollars in thousands)

Estimated Revenue			Recurring	Fund Affected
FY26	FY27	FY28		
NA	NA	NA	NA	NA

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected

Total	NA	NA	NA	NA	NAN	NA
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(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

House Bill 24 proposes a \$5,000,000 general fund appropriation to create a downpayment assistance program, which would be administered by the New Mexico Mortgage Finance Authority, to assist the following professionals purchase a home in New Mexico:

- Registered Nurses
- Dentists or dental hygienists
- Physicians
- Physician assistants
- Anesthesiologists
- Psychologists
- Pharmacists
- Occupational therapists
- Physical therapists
- Respiratory care practitioners
- Speech-language pathologists or an audiologists
- Social workers

Additional eligibility requirements include:

- Recipients must maintain employment as one of the qualified professionals identified, at not less than $\frac{3}{4}$ of fulltime employment for 10 years.
- The recipients may earn no more than 150% area median income and provide proof of licensure.

The loan terms are defined as follows:

- The loan amount cannot exceed 10% of the home purchase price limit.
- The loan will be secured by a lien on the property for ten years, unless the recipient pays off the loan.
- After the recipient completes the required ten years working as a qualified professional in the state, the lien will be released.
- A loan through the program will only be granted once during the ten-year period.
- If the recipient moves out of state or is no longer employed as a qualified professional with in the first five years of the loan term, then the recipient will be required to repay the loan at an interest rate of 5.5 % using proceeds from the sale of the home,
 - If these terms are not met during the period of 5 to 7 years, then the recipient will be required to repay 50% of the loan value with a 5.5% interest rate.
 - If these terms are not met during the period of 7 to 10 years, then the recipient will be required to repay 25% of the loan value with an interest rate of 1.5%.

FISCAL IMPLICATIONS

House Bill 24 proposes a one-time \$5,000,000 appropriation to fund the proposed downpayment assistance program for expenditure in state fiscal year 2026 and 2027 (i.e. through June 30, 2027). Any unencumbered or unexpended balance after that period will revert to the general fund.

SIGNIFICANT ISSUES

The New Mexico Mortgage Finance Authority currently administers three downpayment assistance programs, including:

- FirstDown – downpayment assistance for first time homebuyers with moderate income limits, which for example in the Albuquerque Metropolitan Statistical Area (MSA) (Bernalillo, Sandoval, Torrance, and Valencia County) is \$98,254 for a 1-to-2-person household and \$112,992 for households with 3 or more members. This downpayment assistance can be layered with other downpayment assistance programs.⁷
- FirstDown Plus – A third mortgage down payment assistance loan designed to provide additional down payment to first-time homebuyers qualified to use the New Mexico Mortgage Finance Authority's FirstHome program. Previous homeowners who have not owned and occupied a home as their primary residence in the past three years may also be eligible for the program.
- HomeNow - downpayment assistance for first-time homebuyers who have lower household incomes. The loan has a 0% interest rate and may be forgiven after 10 years if certain conditions are met. The income limits for this program, for example, in Bernalillo County for a 3-person household is \$65,800.

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