

LFC Requester:	Noah Montano
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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 29, 2026
Bill No: SB 131

Sponsor: Sen. Maestas
Short Title: Residential Apartments in Commercial Zones

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)

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

Senate Bill 131 (SB 131) repeals Section 3-21-9 “Zoning Appeal” of the New Mexico Zoning Regulations Act (Act) in the following ways: Removes restrictions for residential zoning to expand the availability of housing within each zoning district; permits small-scale commercial uses in residential zones; gives authority to hear and decide zoning decision appeals to the district court; and, adds a new section related to review and approval of non-permitted by right decisions, application zoning compliance, and parking requirements.

SB 131 amends Section 3-21-1, “Zoning—Authority of County or Municipality” of the Act by: Eliminating building height and number of story requirements; allows one (1) additional dwelling unit per lot in single-family zoning districts; permits residential apartments in commercial zones; prohibits counties and municipalities from restricting duplexes and townhouses in residential zones and mixed-use lots; and allows small-scale commercial uses in residential zones provided that the uses comply with local rules governing traffic and noise.

SB 131 repeals Section 3-21-9 “Zoning; Appeal” and amends Section 3-21-8 “Appeals to Zoning Authority” by deleting the zoning authority’s responsibility for hearing and deciding zoning appeals and conferring statutory authority to hear and decide zoning appeals to the district court.

SB 131 adds a new section to the Act to be titled as “Zoning Applications” requiring non-permitted by right zoning decisions to be reviewed and approved only by hearing officers delegated by a county or municipal zoning authority and have zoning applications for zoning compliance reviewed by designated staff of the local jurisdiction.

SB 131 adds a new section to Act for “Minimum Parking Mandates” that prohibits political subdivisions from imposing minimum parking mandates with an exception for accessible parking spaces.

FISCAL IMPLICATIONS

SB 131 is not anticipated to have any significant fiscal or operational impact on the Construction Industries Division or other divisions of the Regulation and Licensing Department.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

2026 HB 17 Accessory Dwelling Units in Certain Areas

2026 HB 138 Zoning Lot Size Requirements

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS