

1 SENATE BILL 32

2 **51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014**

3 INTRODUCED BY

4 Mary Kay Papen

5
6
7 ENDORSED BY THE MORTGAGE FINANCE AUTHORITY ACT

8 OVERSIGHT COMMITTEE

9
10 AN ACT

11 RELATING TO HOUSING; TRANSFERRING OVERSIGHT OF THE REGIONAL
12 HOUSING AUTHORITIES TO THE DEPARTMENT OF FINANCE AND
13 ADMINISTRATION; AMENDING SECTIONS OF THE REGIONAL HOUSING LAW.

14
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

16 SECTION 1. Section 11-3A-6 NMSA 1978 (being Laws 1994,
17 Chapter 132, Section 6, as amended) is amended to read:

18 "11-3A-6. POWERS OF REGIONAL HOUSING AUTHORITY IN BOARD
19 OF COMMISSIONERS--APPOINTMENT OF BOARD OF REGIONAL HOUSING
20 AUTHORITIES--TERMS.--

21 A. The powers of each regional housing authority
22 shall be vested in its board of commissioners as the board may
23 be constituted, from time to time. The board of commissioners
24 of the regional housing authority for each of the three regions
25 shall consist of one person from each county within the

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1 designated area of the regional housing authority, which person
2 shall be a resident of that county and shall be appointed by
3 the governor. Appointments shall be for terms of four years
4 and shall be made so that the terms of not more than four
5 commissioners on each board of commissioners expire on July 1
6 of each year. Vacancies shall be filled for the unexpired
7 term. Commissioners shall serve until their successors have
8 been appointed.

9 B. Members of [~~a~~] the board of commissioners of a
10 regional housing authority shall elect an executive committee
11 consisting of a chair, vice chair, treasurer, secretary and one
12 other member of the board to function and meet on a monthly
13 basis as an executive committee. The executive committee shall
14 have the authority to act on behalf of the board of
15 commissioners of the regional housing authority as needed. The
16 executive committee shall submit a report of actions to the
17 full board of commissioners, which shall meet on a quarterly
18 basis.

19 C. [~~The~~] Members of the [~~boards~~] board of
20 commissioners of a regional housing authority may receive per
21 diem and mileage as provided in the Per Diem and Mileage Act
22 but shall receive no other compensation, perquisite or
23 allowance. A majority of the appointed commissioners of a
24 board of commissioners shall constitute a quorum of [~~a~~] the
25 board [~~of commissioners~~] for the purpose of conducting its

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1 business and exercising its powers and for all other purposes.
2 Action may be taken by a regional housing authority upon a vote
3 of a majority of the commissioners present. Each board of
4 commissioners shall organize itself at its annual meeting each
5 year. A board of commissioners may employ an executive
6 director, subject to approval by the [~~New Mexico mortgage~~
7 ~~finance authority~~] department of finance and administration.

8 With delegated authority from the board of commissioners, the
9 executive director may hire or terminate, according to the
10 procurement and personnel policies and procedures of the
11 regional housing authority, any technical experts, officers,
12 attorneys, agents or employees, permanent or temporary, as the
13 regional housing authority may require.

14 D. The threshold requirements for commissioners of
15 boards of regional housing authorities are that commissioners
16 have expertise and experience in housing construction, real
17 estate, architecture, law, banking, housing finance, business,
18 property management, accounting, residential development,
19 public housing programs, community development, social services
20 or health care. The requirements set forth in this section
21 shall not apply to commissioners serving pursuant to
22 requirements of the federal department of housing and urban
23 development.

24 E. Commissioners are expected to attend all
25 meetings of the board of commissioners of the regional housing

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1 authority, and more than three unexcused absences may be
2 grounds for dismissal from the board. All recommendations for
3 ~~[appointment as]~~ appointments of commissioners shall be
4 forwarded to and reviewed by the ~~[New Mexico mortgage finance~~
5 ~~authority]~~ department of finance and administration prior to
6 recommendation to the governor."

7 SECTION 2. Section 11-3A-9 NMSA 1978 (being Laws 1994,
8 Chapter 132, Section 9, as amended) is amended to read:

9 "11-3A-9. NONPROFIT CORPORATIONS.--Every regional housing
10 authority, in addition to other powers conferred by the
11 Regional Housing Law, shall have, if authorized by resolution
12 of its board of commissioners and approved by the state board
13 of finance, the power to create nonprofit corporations to carry
14 out the powers and duties set forth in Section 11-3A-7 NMSA
15 1978. The articles of incorporation and bylaws, and any
16 subsequent changes, shall be recommended for approval by the
17 state board of finance and the ~~[New Mexico mortgage finance~~
18 ~~authority]~~ department of finance and administration. Such
19 nonprofit corporations shall be subject to all of the duties
20 and limitations imposed on the regional housing authority and
21 its board of commissioners."

22 SECTION 3. Section 11-3A-30 NMSA 1978 (being Laws 2007,
23 Chapter 50, Section 6, as amended) is amended to read:

24 "11-3A-30. FINANCIAL AND OPERATIONAL OVERSIGHT.--

25 A. Without the prior approval of the ~~[New Mexico~~

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1 ~~mortgage finance authority]~~ department of finance and
2 administration, no regional housing authority shall:

3 (1) enter into any contract, memorandum of
4 understanding or other agreement with a value greater than one
5 hundred thousand dollars (\$100,000); or

6 (2) transfer, sell or liquidate any real or
7 personal property with a value greater than one hundred
8 thousand dollars (\$100,000).

9 B. Not less than thirty days prior to the beginning
10 of its fiscal year, each regional housing authority and each
11 nonprofit corporation established pursuant to Section 11-3A-9
12 NMSA 1978 shall submit a final operating budget for the
13 subsequent fiscal year to the [~~New Mexico mortgage finance~~
14 ~~authority]~~ department of finance and administration for review.

15 C. The financial affairs of every regional housing
16 authority and any nonprofit corporation created by a regional
17 housing authority shall be thoroughly examined and audited
18 annually by the state auditor, by personnel of the state
19 auditor's office designated by the state auditor or by auditors
20 approved by the state auditor. The audits shall be conducted
21 in accordance with generally accepted auditing standards. Each
22 regional housing authority shall submit to the state auditor,
23 the department of finance and administration [~~the New Mexico~~
24 ~~mortgage finance authority, the Mortgage Finance Authority Act~~
25 ~~oversight committee]~~ and the legislative finance committee,

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1 within thirty days following the receipt of the annual audit of
2 the regional housing authority, a copy of that audit.

3 D. Every regional housing authority shall submit an
4 annual report of its financial and operational activities to
5 the [~~New Mexico mortgage finance authority~~] department of
6 finance and administration for review and analysis and for
7 dissemination to the [~~department of finance and administration,~~
8 ~~the Mortgage Finance Authority Act oversight committee and the~~]
9 legislative finance committee. Each report shall set forth a
10 complete operating and financial statement covering its
11 operations since the previous report was presented.

12 E. Failure on the part of a regional housing
13 authority to correct any qualified audit within one year of the
14 release of the audit shall result in the abatement of any state
15 funds until such corrective actions are taken. If a regional
16 housing authority should receive a qualified audit opinion for
17 more than two consecutive years, the oversight agency shall
18 recommend corrective action to be taken."

19 **SECTION 4. EFFECTIVE DATE.**--The effective date of the
20 provisions of this act is July 1, 2014.