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FISCAL IMPACT REPORT

SPONSOR Sanchez LAST UPDATED _____
ORIGINAL DATE 2/11/2025
SHORT TITLE Housing Construction Curriculum BILL NUMBER House Bill 338
ANALYST Jorgensen

APPROPRIATION* (dollars in thousands)

FY25	FY26	Recurring or Nonrecurring	Fund Affected
	\$750.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
Higher Education Department (HED)
Northern New Mexico College (NNMC)

SUMMARY

Synopsis of House Bill 338

House Bill 338 (HB338) appropriates \$750 thousand from the general fund to Northern New Mexico College (NNMC) to implement and develop a cost-effective, energy-efficient rapid housing construction system and corresponding curriculum.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

The appropriation of \$750 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY26 shall revert to the general fund.

SIGNIFICANT ISSUES

It is unclear if this program is a for-credit or non-credit program. The Legislature appropriated \$20 million per year for three years in the 2024 General Appropriation Act to pay student tuition and fees for non-credit workforce training programs resulting in an industry-recognized

certificate or credential. If the program is a for-credit program, students would be eligible for the Opportunity Scholarship. In either case, the program would have access to tuition revenue should the program creation lead to increased enrollment.

The bill does not define what constitutes a housing “system.” If this language is meant to suggest a standardized or easily customizable set of building materials and construction practices, it should be noted that numerous commercial modular and prefabricated housing systems that meet the criteria of HB338 already exist. The U.S. Department of Energy’s Building Technologies Office provides resources on how to vet housing systems for cost and energy efficiency. B.PUBLIC Prefab is a certified Public Benefit Corporation in Santa Fe that specializes in developing prefabricated building systems perhaps like those envisioned in this bill. It is unclear what the development of a new system would gain students, as compared to the research and adoption of an existing system, which may also include established curriculum for trades students. Given the magnitude of and complexity of developing a new housing system, it is unlikely that a \$750 thousand appropriation and a year-long timeframe is sufficient to accomplish the goals of the bill. A cooperative partnership with an architecture program at one of New Mexico’s research institutions may provide the resources necessary to accomplish the goals of HB338.

Creation of a new trades program may have implications for space and equipment needs in the future.

CJ/hj/SR/rl