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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/24/2020

SPONSOR Rodriguez LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Approp to the NM Housing Trust Fund SB 46

ANALYST Hawker

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$10,000.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Mortgage Finance Authority (MFA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 46, endorsed by the Mortgage Finance Authority Act Oversight Committee, appropriates \$10 million from the general fund to the New Mexico housing trust fund for expenditure in fiscal year 2021 and subsequent fiscal years by the Mortgage Finance Authority (MFA) for the purposes of carrying out the provisions of the New Mexico Housing Trust Fund Act. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

### FISCAL IMPLICATIONS

The appropriation of \$10 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

### SIGNIFICANT ISSUES

Enacted in 2005, the New Mexico Housing Trust Fund (HTF) was created to provide flexible funding for housing initiatives in order to produce significant additional housing investment in the state. In 2005, \$10 million was appropriated to the fund with subsequent appropriations of

\$10.85 million, resulting in a total of \$20.85 in state investment in the fund. This investment has resulted in \$49 million in financing provided. As a revolving fund, the amount in the fund grows as a result of loan interest and principal payments. The HTF has helped to construct or rehabilitate over 3,500 homes in 57 housing developments and has leveraged over \$507 million in other funding, a 24-to-1 return on the state’s investment.

**New Mexico Housing Trust Fund Investments Since Inception**

	<b>Total Units</b>	<b>Amount</b>	<b>% of Total</b>	<b>Leverage</b>
Single Family New Construction	314	\$7,900,561	17%	\$52,076,516
Single Family Rehabilitation	30	\$160,679	0%	\$160,679
Multifamily New Construction	1,670	\$22,880,899	47%	\$267,870,865
Multifamily Rehabilitation	1,488	\$17,776,680	36%	\$187,227,188
MFA Administration	-	\$1,193,187	1%	-
<b>Totals</b>	<b>3,502</b>	<b>\$49,912,006</b>	<b>100%</b>	<b>\$507,335,248</b>

Source: MFA

VKH/al