

<b>LFC Requester:</b>	<b>Emily Hilla</b>
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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:** 2/13/25 *Check all that apply:*  
**Bill Number:** HB338 Original  Correction   
 Amendment  Substitute

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0	\$0		

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	\$750,000	\$0		

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

**SECTION III: NARRATIVE**

**BILL SUMMARY**

House Bill 338 (the Bill) proposes an appropriation of \$750,000 from the state's general fund to Northern New Mexico State College. The allocated funds are designated for expenditure in fiscal year 2026 to develop and implement a cost-effective, energy-efficient, and rapid housing construction system, along with a corresponding curriculum in collaboration with the Northern Rio Grande National Heritage Area.

The funding will build two proof-of-concept units on land owned by Northern utilizing a new construction methodology. This rapid construction approach uses a foam infused concrete mixture poured in forms with pre-assembled plumbing and electrical systems which will be built by the trades program at Northern. This approach is a promising model for lowering cost of construction and dramatically speeding up housing construction timeline, particularly in the Northern parts of the state which face a significant shortage of contractors and tradespeople.

The goal is to eventually scale this into a program for the NRGNHA to replace aging mobile homes with cost effective site build housing using this new technology.

This funding is being requested because an existing Federal 2025 appropriation of Community Project Funds secured by Senator Heinrich for this project are likely to be rescinded by the new Federal administration.

#### **FISCAL IMPLICATIONS**

No impact beyond the appropriation

#### **SIGNIFICANT ISSUES**

There are significant issues with lack of construction workforce, failure of current housing development models to meet needs in rural areas, and extreme shortages of housing in Rio Arriba and Taos Counties. This investment in new construction technology and growing the trades program at Northern would be beneficial to the area in addressing its housing needs.

Estimates range from 30-40,000 units that are needed today to meet housing needs, yet we currently build just enough housing to maintain current needs. To close the gap on the housing shortage we will need to promote new methods that will speed the timeline of construction and increase the number of units produced with existing workforce capacity.

#### **PERFORMANCE IMPLICATIONS**

#### **ADMINISTRATIVE IMPLICATIONS**

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

#### **TECHNICAL ISSUES**

#### **OTHER SUBSTANTIVE ISSUES**

#### **ALTERNATIVES**

#### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

The status quo will be maintained.

#### **AMENDMENTS**