

<b>LFC Requester:</b>	<b>Leger</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:** Feb. 27, 2025 *Check all that apply:*  
**Bill Number:** Senate Bill 422 Original  Correction   
 Amendment  Substitute

**Sponsor:** Sen. O'Malley & Sen. Steward **Agency Name and Code** State Ethics Commission (410)  
**Short Title:** Affordable Housing Organization Support **Number:** \_\_\_\_\_  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	\$5,000	Nonrecurring	General Fund

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(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:  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Synopsis: Senate Bill 422 appropriates \$5,000,000 to the New Mexico Mortgage Finance Authority for expenditure in fiscal years 2026 through 2030 to provide operational funding and technical assistance grants to nonprofit organizations that provide affordable housing, homelessness services or transitional housing. Any unexpended or unencumbered balance remaining at the end of fiscal year 2030 shall revert to the general fund.

#### **FISCAL IMPLICATIONS**

None for the State Ethics Commission

#### **SIGNIFICANT ISSUES**

While Article IX, Section 14 of the New Mexico Constitution (commonly referred to as the “Anti-Donation Clause”) generally prohibits a public entity from providing funds to a private person or organization, this appropriation does not create an impermissible “donation” under that constitutional provision. In 2004, pursuant to the Affordable Housing exception to the Anti-Donation Clause, N.M. Const. art. IX, § 14(E)-(F), the Legislature enacted the Affordable Housing Act, NMSA 1978, §§ 6-27-1 to -9 (2004, as amended through 2015), which grants the Mortgage Finance Authority specific powers and duties related to providing affordable housing. Because this expenditure would fall under that exception, it would not be prohibited by the Anti-Donation Clause.

#### **PERFORMANCE IMPLICATIONS**

#### **ADMINISTRATIVE IMPLICATIONS**

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

#### **TECHNICAL ISSUES**

#### **OTHER SUBSTANTIVE ISSUES**

#### **ALTERNATIVES**

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

#### **AMENDMENTS**