

New Mexico's Housing Crisis

Legislative Health and Human
Services Committee
September 16, 2021

New Mexico Center on Law and Poverty



Advancing economic justice,
Increasing opportunities,
Protecting the rights of
people living in poverty.

- Impact Litigation
- Policy Advocacy
- Community Education

Economic Equity Healthcare- Public Benefits Education- Workers' Rights



CURRENT NEW MEXICO HOUSING CRISIS

- BETWEEN 2018 AND 2019:
 - NM had the highest increase in **homelessness** in the country - an increase of **27%**
 - NM had the highest increase in **chronic homelessness** in the country - an increase of **57%**

(Un)-Affordable Rent

- 32% of NM households rent.
- Average renter's wage is \$13.99.
- Minimum wage is **only** \$9.00/ hour.



(Un)-Affordable Rent Cntd.



Working at
minimum wage

\$9.00/hr



Each week you
have to work

**59
HOURS!**



To afford a modest
1 bedroom
rental home at
Fair Market Rent

Lack of Affordable Housing in NM



Rental housing is unaffordable for most New Mexicans.

- 21.8% of renters are cost burdened.
- 22% of renters are extremely cost burdened.

COVID-19 Housing Concerns





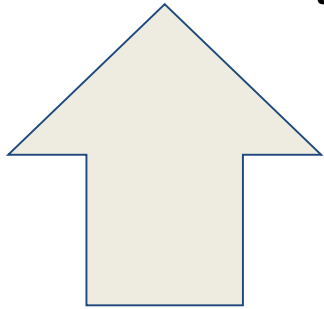
COVID-19 Housing Concerns

- In 2020, the unemployment rate in New Mexico **doubled** - meaning thousands of families were unable to pay rent and at risk of eviction.

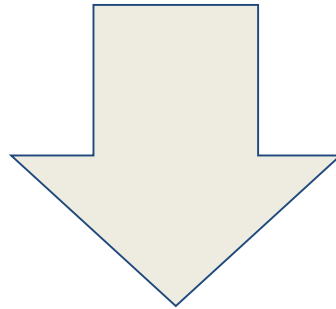


Rise In Unemployment

- New Mexico's unemployment rate is currently at 8.2%, tied for the **third highest** in the nation.



UNEMPLOYMENT



ABILITY TO PAY RENT



Families at Risk of Eviction Cntd.

- Approximately **44%** of New Mexico's renters are unable to pay rent and are at **risk of eviction** .
- **The most recent data shows that 105,000** households are at risk of becoming **homeless** in coming months.




COVID-19 Eviction Prevention Measures

- NM Supreme Court Stay on Evictions for Non-Payment of rent;
- CARES Act Eviction Moratorium
- CDC Eviction Moratorium

NM Supreme Court Order- A Temporary Halt On Evictions For Non-Payment Of Rent





NM Supreme Court Order- A Temporary Halt On Evictions For Non-Payment Of Rent

Barriers for families facing eviction:

- Tenant has to appear in court over the telephone
- Tenants need to know the magic words to invoke the stay.
- Most tenants do not have a lawyer.
- Result – you are still evicted but eviction is deferred.



NM Supreme Court Order Cntd.

Inconsistent application:

- Some judges have required that tenants demonstrate a COVID related reason for their inability to pay rent – which is not required.
- Other judges have not applied the order at all and are issuing orders for immediate eviction.
- Some landlords/property managers are using loopholes to immediately evict.



CARES Act Eviction Moratorium

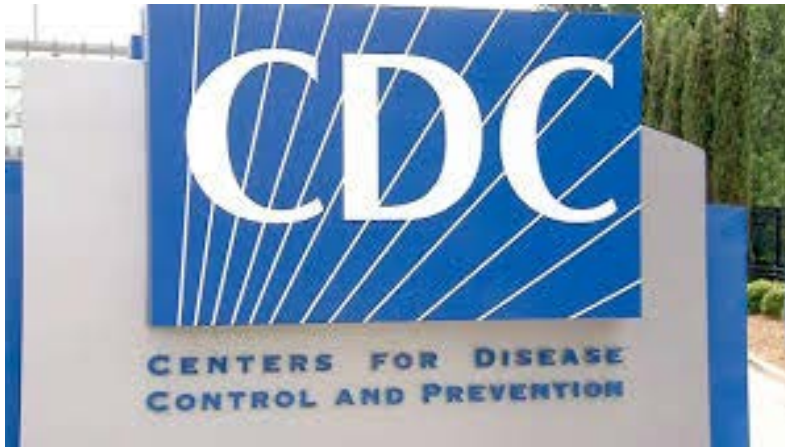
- Temporary moratorium in place last year from April through July 2020;
- Tenants could not be evicted during that timeframe if the property had a federally backed mortgage or if the property participated in a federal rental subsidy program.



CARES Act Eviction Moratorium, Cont.

- A investigation by Searchlight New Mexico revealed that during the CARES Act Moratorium, there were **260 tenants whom landlords at over 50 different properties attempted to unlawfully evict in Albuquerque alone.**
- “In short, the CARES Act – one of the strongest defenses for tenants facing eviction ever to exist in the state or beyond – couldn’t completely halt business as usual.”

CDC Eviction Moratorium



Tenants must submit a signed declaration to their landlord that says they meet all criteria, e.g. income requirements, will apply for rental assistance, and promise to make partial payments when able.

Rental Assistance



Our state currently has hundreds millions of dollars in rental assistance available to help families who are struggling to pay rent.

Rental Assistance

- Unfortunately, agencies tasked with distributing the funds are finding it difficult to disperse these funds.
- Due to the current housing market, many landlords are refusing rental assistance in order to sell the property or to bring in a new tenant at a higher rent.



Negative Impacts of Evictions on New Mexico's Families

- Repeatedly rejected by owners unwilling to rent to them;
- Unable to find housing on time and lost their housing vouchers as a result



Negative Impacts of Evictions



- Homeless for long periods of time;
- Locked out of the rental market even if they had never been accused of any wrongdoing.

Negative Impacts of Evictions Cntd.

- Increase in infant mortality rates
- Increase in health instability
- Decrease in children's school attendance
- Poor educational outcomes



Other Barriers Tenants Face



- Many landlords refuse to rent to tenants who will pay their rent with income other than job income;
- Municipalities do not have the authority to establish rent control measures;

Other Barriers Tenants Face

- Evictions are fast tracked and really disadvantage tenants;
- Tenants are given no opportunity to pay judgment before they are removed from their home.



2021 HB 111 Tenant Protections

- More time to get caught up on rent before eviction case can be filed;
- Opportunity to cure;
- More time before a hearing is scheduled to secure legal counsel;
- More time before Sheriff could physically remove them from their home.
- Had support from the New Mexico Apartment Association;
- Passed the House;
- Never made it to hearing in Senate Judiciary

What's Next?

- We need the protections of HB 111 to pass and be implemented as soon as possible.
- Without these protections and flexibility, the Courts will have difficulty implementing innovative programs to keep New Mexicans housed.
- Long term, we need to ensure that programs like Section 8 are actually working and that tenants who get the vouchers are not discriminated against in housing.

Questions or Comments?



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