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FISCAL IMPACT REPORT

SPONSOR SPAC DATE TYPED 3/7/05 HB _____

SHORT TITLE Housing Authority Joint Jurisdiction SB 637/SPACS

ANALYST Hadwiger

APPROPRIATION (in \$000s)

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB496/HGUACS

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

New Mexico Municipal League (NMML)

SUMMARY

Synopsis of SPAC Substitute

Under current statute, a regional housing authority may operate only in an area where a city or county has not already established its own authority or housing agency, unless the governing body of the city or county passes a resolution consenting for the regional authority to operate within its boundaries. The Senate Public Affairs Committee (SPAC) substitute for SB637 would allow a regional housing authority to operate within a city or county that has established a housing authority or housing agency such that each agency would exercise its jurisdiction over a common area pursuant to a resolution enacted by the municipality or county.

Significant Issues

Original version of SB637. Senate Bill 637, in its original form, would have allowed a regional authority to operate in the common area alongside the municipal or county housing agency or, pursuant to a joint powers agreement, to agree to exercise joint jurisdiction. According to DFA, the original SB637 would have allowed the regional housing authority to supersede the authority

of its local counterpart. DFA indicated the local housing authorities opposed that version of the bill unless the intention of the regional housing authority was to bring in additional funding or programs. DFA noted that the original version of the bill would have allowed newly created or currently existing regional housing authorities to operate in a local government housing jurisdiction without prior approval, thereby duplicating effort and further straining minimal local resources (i.e. HOME funding, tax credits, CDBG, etc.). Moreover, regional housing law allows for the use of eminent domain and confers some very broad reaching powers that a regional housing authority could exercise without permission from the local housing authority or from the local government.

The New Mexico Municipal League questioned the necessity of the Regional Housing Authority's expansion of its authority in a municipality that already has an housing authority. Current statute provides a mechanism for the two authorities to jointly operate if the municipal authority wishes. This bill would eliminate that authority and allow the regional authority to operate without the municipalities' approval.

SPAC substitute. The substitute appears to be designed to address the concerns with regard to the original bill raised above. In particular, it would allow the regional authority and the municipal or county authority to each exercise its jurisdiction over the common area pursuant to a resolution enacted by the municipality or county. In its current form, HB496 does not contain a provision creating an opportunity for a city or county to pass a subsequent resolution withdrawing the local body's consent and terminating the joint exercise of jurisdiction in a common area.

DH/sb:yr:lg