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FISCAL IMPACT REPORT

ORIGINAL DATE 1/22/07

SPONSOR Gonzales LAST UPDATED _____ HB 267

SHORT TITLE Home Repairs for Low-Income Persons SB _____

ANALYST Leger

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|-------------|-------------------------|------------------|
| FY07 | FY08 | | |
| | \$2,000,000 | Non-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

House Bill 267 appropriates \$2 million from the general fund to Department of Finance and Administration (DFA) for disbursement to MFA for minor repairs of homes occupied by low-income persons in New Mexico. Minor repairs, including repair and replacement of roofs and accessibility modifications for physically disabled persons.

FISCAL IMPLICATIONS

The appropriation of \$2 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the general fund.

SIGNIFICANT ISSUES

The bill provides funding to MFA to provide minor repairs of homes occupied by low-income people, while improving the value of homes, the health and safety of the occupants, and accessibility of their homes.

According to the MFA and information obtained from the US Census Bureau, *2005 American Community Survey*, large numbers of the various population sectors are living below poverty rate, households lacking complete plumbing or kitchen facilities, and overcrowded housing units are contributing factors to unhealthy and unsafe household conditions. A summary of the conditions follows:

Statistics of persons living below poverty throughout the state

- Of the total population, 18.5% live below the poverty line;
- 26% of the population under age 18 years live below the poverty line;
- 16.5% of the population age 18 to 64 live below the poverty lines;
- 13.1% of persons 65 years or older live below the poverty line;

Disability Status

- 14.6% of the population age 16 to 64 years old are disabled;
- 44.0% of the population 65 years and over are disabled;

Housing Units Lacking Plumbing/Kitchen Facilities

- 1.8% of occupied housing units are lacking complete plumbing facilities;
- 1.6% of occupied housing units are lacking complete kitchen facilities;

PERFORMANCE IMPLICATIONS

Approximately 225 households will receive assistance through this appropriation.

ADMINISTRATIVE IMPLICATIONS

The MFA would administer the program.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Funds would not be available to serve 225 low-income households in the capacity but not limited to roof repair and/or replacement and accessibility modifications for physically disabled persons.