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SENATE BILL 71

**56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024**

INTRODUCED BY

Michael Padilla

AN ACT

RELATING TO STATE GOVERNMENT; CREATING THE OFFICE OF HOUSING;  
PROVIDING POWERS AND DUTIES; PROVIDING FOR THE DEVELOPMENT AND  
UPDATING OF THE STATE HOUSING PLAN; ADDING THE DIRECTOR OF THE  
OFFICE OF HOUSING TO THE NEW MEXICO MORTGAGE FINANCE AUTHORITY;  
DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. [NEW MATERIAL] OFFICE OF HOUSING CREATED--  
ADMINISTRATIVELY ATTACHED--POWERS AND DUTIES--STATE HOUSING  
PLAN.--

A. As used in this section, "housing" means real  
property and infrastructure that is residential housing,  
including rental housing, the housing portion of a mixed-use  
commercial and housing project and commercial property that is  
repurposed for residential housing.

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1           B. The "office of housing" is created and is  
2           administratively attached to the department of finance and  
3           administration. The department shall provide administrative  
4           services for the office.

5           C. The purpose of the office of housing is to  
6           study, evaluate and coordinate housing across jurisdictions  
7           statewide, including housing investment, development,  
8           infrastructure, revitalization, equity, stability, quality and  
9           standards.

10          D. The director of the office of housing shall be  
11          appointed by the governor. Subject to appropriations, the  
12          director may employ technical and clerical assistants as  
13          necessary to carry out the powers and duties of the office.

14          E. The office of housing shall:

15                 (1) submit the state housing plan to the  
16                 governor and the legislature by July 1, 2024 and shall submit  
17                 an updated plan by January 1 of each year;

18                 (2) provide technical assistance to local  
19                 governments and developers in assembling funding packages and  
20                 project management of housing and necessary infrastructure  
21                 development for housing projects and for the promotion of  
22                 public-private partnership agreements;

23                 (3) provide technical assistance and training  
24                 to local governments and Indian nations, tribes and pueblos in  
25                 developing housing plans in alignment with the state housing

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1 plan;

2 (4) identify programs to build competency in  
3 housing finance and development and construction trade  
4 workforces;

5 (5) assist the New Mexico mortgage finance  
6 authority and the New Mexico finance authority in coordinating  
7 funding for housing projects in accordance with the state  
8 housing plan;

9 (6) work across jurisdictions to promote  
10 regional plans or programs that implement recommendations of  
11 the state housing plan or other studies undertaken by state  
12 agencies, appointed commissions or councils on housing or the  
13 state housing authority relative to housing;

14 (7) coordinate across state agencies, state  
15 and regional housing authorities and appointed commissions or  
16 councils on housing to implement actions for housing or  
17 supportive housing services within their existing authority;

18 (8) collect and report data at least annually  
19 to describe and monitor the housing market in regions of the  
20 state and statewide and establish housing production goals;

21 (9) evaluate housing data to identify:

22 (a) geographic gaps in housing  
23 availability and whether the gaps are the result of increased  
24 or decreased economic activity;

25 (b) duplications of service and finance

1 efforts; and

2 (c) adequate progress toward housing  
3 production goals;

4 (10) monitor adherence to use and restriction  
5 agreements on projects that receive funding in accordance with  
6 the state housing plan;

7 (11) track housing investments and initiatives  
8 to measure the success and impacts of state, regional and local  
9 housing programs and monitor state and local efforts to meet  
10 defined housing goals and necessary policy changes or resource  
11 investment to achieve the goals and make findings publicly  
12 available; and

13 (12) perform other duties identified by the  
14 office or assigned by the governor or the legislature to ensure  
15 that the state meets or exceeds the housing goals delineated in  
16 the state housing plan.

17 F. State agencies, the New Mexico mortgage finance  
18 authority, the New Mexico finance authority, regional housing  
19 authorities, local governments, tribal governments and private  
20 sector housing stakeholders shall participate with and assist  
21 the office of housing in the development and updating of the  
22 state housing plan.

23 G. The state housing plan shall include:

24 (1) a statewide inventory and housing needs  
25 assessment, including necessary infrastructure;

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1 (2) an analysis of the effects of local  
2 zoning, permitting and building inspections on housing  
3 production;

4 (3) an assessment and strategies to address  
5 barriers to the development of sufficient housing throughout  
6 New Mexico, including zoning, land use and economic barriers;

7 (4) state-level goals to increase housing  
8 stock in urban, suburban and rural communities;

9 (5) strategies to eliminate housing  
10 discrimination and housing inequities;

11 (6) improvements in development standards;

12 (7) incentives for in-fill projects and  
13 developments that are environmentally sensitive and preserve  
14 open space;

15 (8) incentives for the renovation and  
16 maintenance of housing, particularly in rural areas where  
17 housing developments may be less attractive to private  
18 developers;

19 (9) the potential to increase housing  
20 investments and financing opportunities;

21 (10) the elimination of duplicative or  
22 conflicting state and local housing requirements and efforts;

23 (11) the requirement that the New Mexico  
24 mortgage finance authority, the New Mexico finance authority  
25 and any other state, regional, local or tribal funding agency

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1 shall coordinate their efforts to ensure the appropriate and  
2 effective use of public money; and

3 (12) recommendations for statutory and  
4 executive changes necessary to implement the state housing  
5 plan.

6 SECTION 2. Section 58-18-4 NMSA 1978 (being Laws 1975,  
7 Chapter 303, Section 4, as amended) is amended to read:

8 "58-18-4. AUTHORITY CREATED.--

9 A. There is created a public body politic and  
10 corporate, separate and apart from the state, constituting a  
11 governmental instrumentality, to be known as the "New Mexico  
12 mortgage finance authority", for the performance of essential  
13 public functions. The authority shall be composed of [~~seven~~]  
14 eight members, including the lieutenant governor, state  
15 treasurer and attorney general, [~~shall be ex-officio members of~~  
16 ~~the authority with voting privileges~~] who shall serve as ex-  
17 officio voting members, and the director of the office of  
18 housing, who shall serve as an ex-officio nonvoting member.

19 The governor, with the advice and consent of the senate, shall  
20 appoint the other four members of the authority, who shall be  
21 residents of the state and shall not hold other public office.

22 The four members of the authority appointed by the governor  
23 shall be appointed for staggered terms of four years or less  
24 [~~staggered~~] so that the term of one member expires on January 1  
25 of each year. Vacancies shall be filled by appointment by the

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1 governor for the remainder of the unexpired term. Any member  
2 of the authority shall be eligible for reappointment. Each  
3 member of the authority appointed by the governor may be  
4 removed by the governor for misfeasance, malfeasance or willful  
5 neglect of duty after reasonable notice and a public hearing,  
6 unless the notice and hearing are, in writing, expressly  
7 waived. Each member of the authority appointed by the  
8 governor, before entering upon duty, shall take an oath of  
9 office to administer the duties of the office faithfully and  
10 impartially, and a record of the oath shall be filed in the  
11 office of the secretary of state. The governor shall designate  
12 a member of the authority to serve as chair for a term that  
13 shall be coterminous with the chair's then current term as a  
14 member of the authority. The authority shall annually elect  
15 one of its members as vice chair. The authority shall also  
16 elect or appoint and prescribe the duties of other officers,  
17 who need not be members, as the authority deems necessary or  
18 advisable, including an executive director and a secretary, who  
19 may be the same person. The authority shall fix the  
20 compensation of officers. Officers and employees of the  
21 authority are not subject to the Personnel Act. The authority  
22 may delegate to one or more of its members, officers, employees  
23 or agents the powers and duties it may deem proper.

24 B. All members, officers, employees or agents  
25 exercising any voting power or discretionary authority shall be

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1 required to have a fiduciary bond in the amount of one million  
2 dollars (\$1,000,000) for the faithful performance of their  
3 duties, the cost of which shall be proper expense of the  
4 authority.

5 C. The executive director shall administer, manage  
6 and direct the affairs and business of the authority, subject  
7 to the policies, control and direction of the members of the  
8 authority. The secretary of the authority shall keep a record  
9 of the proceedings of the authority and shall be custodian of  
10 all books, documents and papers filed with the authority, the  
11 minute book or journal of the authority and its official seal.  
12 The secretary shall have authority to make copies of all  
13 minutes and other records and documents of the authority and to  
14 give certificates under the official seal of the authority to  
15 the effect that the copies are true copies, and all persons  
16 dealing with the authority may rely upon the certificates.

17 D. Meetings of the authority shall be held at the  
18 call of the chair or whenever three members so request in  
19 writing. A majority of members in office shall constitute a  
20 quorum for the transaction of any business and for the exercise  
21 of any power or function of the authority. A vacancy in the  
22 membership of the authority shall not impair the rights of a  
23 quorum to exercise all the rights and to perform all the duties  
24 of the authority. An ex-officio member from time to time may  
25 designate in writing another person to attend meetings of the

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1 authority and, to the same extent and with the same effect, act  
2 in the member's stead.

3 E. The authority is not created or organized, and  
4 its operations shall not be conducted, for the purpose of  
5 making a profit. No part of the revenues or assets of the  
6 authority shall inure to the benefit of or be distributable to  
7 its members or officers or other private persons. The members  
8 of the authority shall not receive compensation for their  
9 services, but the members of the authority, its officers and  
10 employees shall be paid allowed expenses if approved by the  
11 authority in accordance with policies adopted by the authority  
12 and approved by the Mortgage Finance Authority Act oversight  
13 committee.

14 F. The authority shall be separate and apart from  
15 the state and shall not be subject to the supervision or  
16 control of a board, bureau, department or agency of the state  
17 except as specifically provided in the Mortgage Finance  
18 Authority Act. To effectuate the separation of the state from  
19 the authority, the use of the terms "state agency" or  
20 "instrumentality" in any other law of the state shall not be  
21 deemed to refer to the authority unless the authority is  
22 specifically named."

23 SECTION 3. EMERGENCY.--It is necessary for the public  
24 peace, health and safety that this act take effect immediately.