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SENATE BILL

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

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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.