

LFC Requester:

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/13/25 *Check all that apply:*
Bill Number: HB335 Original Correction
 Amendment Substitute

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---------------|------|------------------------------|------------------|
| FY25 | FY26 | | |
| \$0 | \$0 | | |
| | | | |

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring or Nonrecurring | Fund Affected |
|-------------------|------|------|---------------------------------|------------------|
| FY25 | FY26 | FY27 | | |
| \$0 | \$0 | \$0 | | |
| | | | | |

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY25 | FY26 | FY27 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|--------------|------|------|------|----------------------|------------------------------|------------------|
| Total | | | | | | |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

SECTION III: NARRATIVE

BILL SUMMARY

House Bill 335 (the bill) proposes the enactment of the "Licensing Time Frames Transparency Act." This legislation mandates that the Construction Industries Division of the Regulation and Licensing Department, along with local agencies possessing expressly delegated permitting authority report and publish detailed information regarding the processing times of building permit issuance biannually.

FISCAL IMPLICATIONS

There will be a financial and administrative burden for the Regulation and Licensing Division associated with the reporting of activities.

SIGNIFICANT ISSUES

New Mexico lacks detailed data on many aspects of housing construction and building permitting. The only current source for permitting information is the Census Building Permit Survey which does not provide reliable or timely permit data, does not provide useful community level data, and does not include information about timelines for issuance. Attempts by the Office of Housing to aggregate local permitting data have resulted in highly variable and incomplete data and significant delays in providing information and often no tracking about issuance timelines.

New Mexico is facing an extreme shortage of housing. Critical for addressing will be creating the tools to evaluate and track housing construction activity. Delays in permit issuance also negatively impact housing affordability. Reporting on building permit issuance and timelines will help us understand if RLD or local communities issuing permits are experiencing excessive delays in permit issuance.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

This will create administrative work for both RLD and local governments.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

Local governments use a wide variety of systems to track building permit application and issuance. This will make unified reporting potentially time consuming for local governments. This could be solved by promoting a single platform for all land use permitting entities in the state. This would allow data to be queried rather than having individual jurisdictions submit compiled reports.

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

We will lack data to adequately measure progress towards eliminating New Mexico's housing shortage and information about specific jurisdictions with slow or problematic permitting processes will remain anecdotal.

AMENDMENTS