

<b>LFC Requester:</b>	Emily Hilla
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**  
[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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:** 02/22/2025 *Check all that apply:*  
**Bill Number:** H 453 Original  Correction   
 Amendment  Substitute

**Sponsor:** Anyanonu **Agency Name and Code:** N/A  
**Short Title:** Housing Creditworthiness Assistance Program **Number:** \_\_\_\_\_  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
NA	\$250,000	NA	NA

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
NA	NA	NA	NA	NA

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	NA	NA	NA	NA	NA	NA

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

## **SECTION III: NARRATIVE**

### **BILL SUMMARY**

This bill amends the Affordable Housing Act to create a definition of a “credit worthiness assistance grant” and adds a definition for “participant” to specify that they are a person in a training program that provides information about the importance of budgeting and credit. The bill also creates a new section of the Affordable Housing Act to create the credit worthiness assistance program which would grant money to pay for a portion of unpaid rent and damages caused to a rented property by a program participant.

This program would be managed by the Mortgage Finance Authority (Housing New Mexico) and the bill specifies requirements for the grantees who would operate qualified creditworthiness assistance programs. The bill appropriates \$250,000 for the fund.

### **FISCAL IMPLICATIONS**

NA

### **SIGNIFICANT ISSUES**

NA

### **PERFORMANCE IMPLICATIONS**

Landlord incentives have demonstrated success in convincing property owners and managers to lease to individuals who may otherwise be considered unqualified because of their source of income, credit, criminal history, or eviction. Typically, for people experiencing homelessness these types of programs have been managed by direct service agencies who conduct landlord outreach and provide case management for tenants who receive vouchers. As written, the program proposed in this bill could be available to individuals and households facing housing barriers but not experiencing homelessness or receiving vouchers or other forms of rental support. Pairing landlord incentives with a financial literacy course for the tenants is an innovative approach to alleviating housing barriers and potentially preventing homelessness.

### **ADMINISTRATIVE IMPLICATIONS**

NA

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

There is currently a statewide landlord assistance program funded through an FY 2024 appropriation with approximately \$1.6M in funding. DFA and MFA are in the final stages of negotiating a contract. The City of Albuquerque and Bernalillo County Housing Authority also operate programs which provide landlord support programs.

### **TECHNICAL ISSUES**

There are only three HUD-approved rental housing counseling agencies in New Mexico, all in the Albuquerque metro area. Technical assistance and operational support may be required to ensure sufficient capacity to provide rental housing counseling activities.

### **OTHER SUBSTANTIVE ISSUES**

NA

### **ALTERNATIVES**

NA

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

The status quo will persist.

**AMENDMENTS**