

LFC Requester:	Jeannae Leger
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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: 1/30/2025 *Check all that apply:*
Bill Number: SB 144 Original Correction
 Amendment Substitute

Sponsor: Roberto "Bobby" J. Gonzales **Agency Name** Housing New Mexico | MFA
Short Title: AFFORDABLE HOUSING ACT FUNDING **and Code** New Mexico Mortgage Finance
Number: Authority (MFA) 992
Person Writing Robyn Powell
Phone: 505.767.2271 **Email** rpowell@housingnm.org

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	\$500	Nonrecurring	General Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

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

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

SB 144 makes a one-time, appropriation of \$500,000 from the general fund to the Department of Finance and Administration (DFA) for the New Mexico Mortgage Finance Authority (Housing New Mexico | MFA) to carry out the provisions of the Affordable Housing Act (AHA). This bill allows expenditure to begin in fiscal year 2026 and is non-reverting.

FISCAL IMPLICATIONS

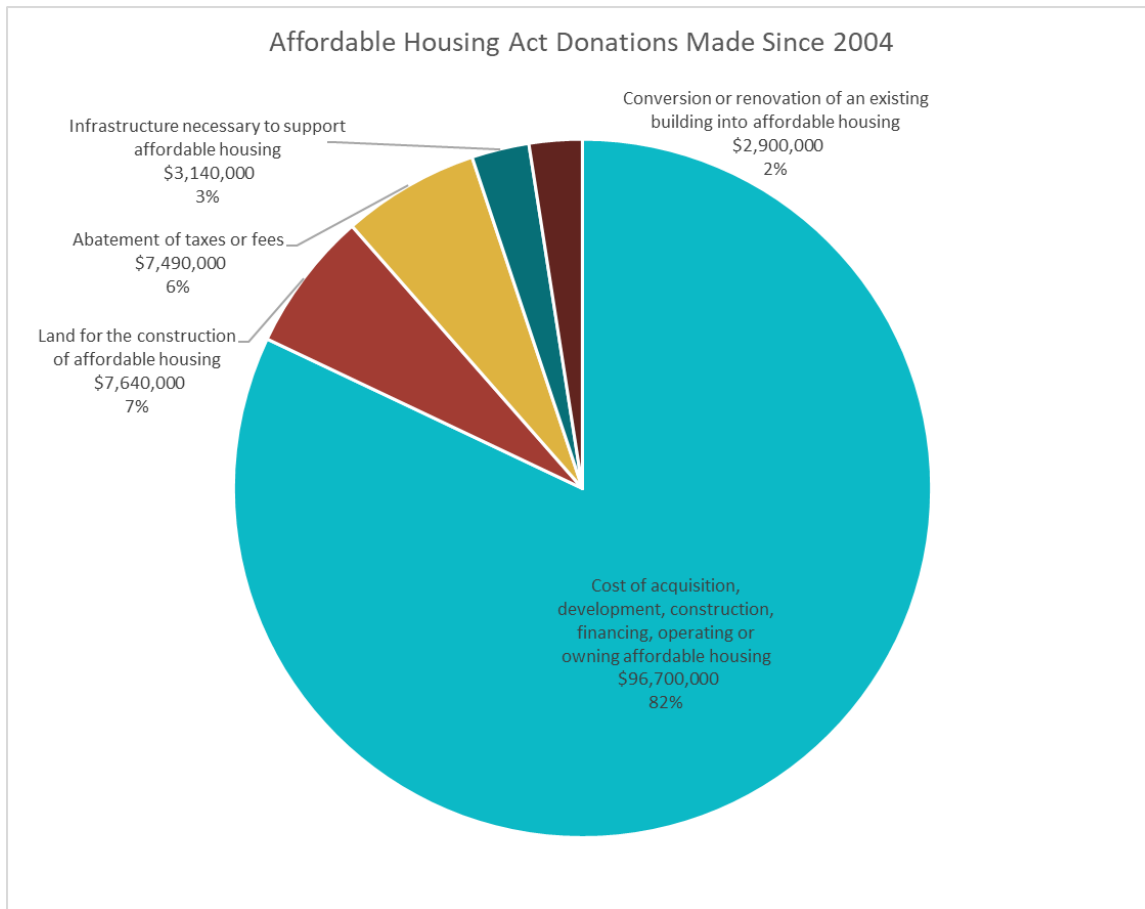
The passage of SB 144 would result in a one-time, non-reverting, appropriation of \$500,000 from the general fund to DFA for Housing New Mexico | MFA. The appropriation does not impact the state operating budget because Housing New Mexico | MFA, as a self-supporting quasi-governmental entity, does not rely on the state for any operational funding.

SIGNIFICANT ISSUES

The Affordable Housing Act (AHA) was signed into law in 2004. Like the Local Economic Development Act (LEDA), it is an exemption from the state's Anti-Donation clause. It permits the state and local governments to contribute public funds, land, buildings and other resources to create and preserve affordable housing. Housing New Mexico| MFA is charged with rulemaking authority and oversight of the Act but receives no funds for these purposes.

This appropriation will enable Housing New Mexico | MFA to 1) oversee the Affordable Housing Act, including review and approval of plans and ordinances, 2) provide direct technical assistance to local governments in the drafting of an affordable housing plan and affordable housing ordinance, and 3) offer planning and implementation grants to local governments on an as-needed basis. The funding could be leveraged with planning grant funding offered through the New Mexico Finance Authority.

The priority for this funding is to help local governments, municipalities, and jurisdictions implement approved housing plans and ordinances, paving the way for communities to increase housing stock and deploy housing solutions that meet local needs while leveraging local resources. Since the passage of the AHA Housing New Mexico | MFA has assisted 39 local governments achieve Affordable Housing Act compliance support with creating affordable housing plans and ordinances. To date these local governments have donated land and resources totaling \$117.8 million for affordable housing. The following chart shows how those donations have been used to support affordable housing initiatives:



PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

Housing New Mexico | MFA has demonstrated effectiveness and efficiency in administering funding for the AHA. In 2019 MFA deployed \$250,000 in one year to support nine local governments to achieve AHA compliance. Housing New Mexico | MFA continues to employ a person dedicated to AHA oversight, and if this bill were to pass, this staff person would be responsible for administering the funding to ensure maximum impact.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS