

LFC Requester: \_\_\_\_\_

**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

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*(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:** \_\_\_\_\_ *Check all that apply:*  
**Bill Number:** S205-341 Original  Correction   
 Amendment  Substitute

**Sponsor:** Sen. Padilla  
**Short Title:** STATE OFFICE OF HOUSING  
 PLANNING & PRODUCTION

**Agency Name and Code** DFA-341  
**Number:** \_\_\_\_\_  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(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>		\$258.5	\$252.9	\$511.4	Recurring	General Fund

(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**

The Office of Housing Planning and Production is created and attached to the Department of Finance and Administration (DFA) which will provide administrative services to the new office.

The office aims to reduce housing costs, increase housing availability, maximize resources, address factors impacting housing costs, grow local programs, identify state resources, and track housing progress.

#### **Duties and Responsibilities of the Office of Housing Planning and Production**

- The office will work on addressing factors that impact housing costs and supply, growing local programs, and ensuring fair housing.
- The director of the office will be appointed by the governor and will have the authority to hire necessary staff.
- Key responsibilities of the office include developing statewide housing strategies, providing technical assistance to local governments and tribes, aligning resources, and promoting new housing approaches.
- The office will also collect and report housing data, evaluate housing markets, and support local efforts to meet housing goals.

**This bill has an emergency clause and would take effect immediately upon signature by the governor.**

#### **FISCAL IMPLICATIONS**

Upon enactment, the Office of Housing Planning and Production will require an administrative budget, which is included in the Executive Budget Recommendation but not in LFC's budget recommendation. A \$2 million appropriation is needed, consistent with the GRO funding allocation to DFA for two years.

#### **SIGNIFICANT ISSUES**

A housing office that can coordinate initiatives and work with New Mexico housing partners is necessary for the state to improve housing situations for New Mexicans. In addition to the \$2 million, DFA needs a small appropriation to handle the administrative functions, especially the fiscal and grant issuant work. DFA currently receives many housing appropriations, which strains the Local Government Division.

As the housing office grows to tackle the housing and homelessness issues in the state, DFA will be required to support the increased efforts.

DFA's Local Government Divisions requires 2 FTEs at an estimated cost of \$258,548 as detailed

below. The total recurring funding required for the Department of Financial Affairs (DFA) would amount to \$252,948.

<b>FTE Cost Detail</b>	
Salary	92,560
Benefits	32,084
ISD Rate	864
HCM Assessment Fee	350
Telecom rate	616
On-Boarding Equipment*	2,800
Total Cost per FTE	129,274
FTE's needed	2
Total FTE Cost	258,548

\* Includes cell phone, laptop, monitors and licensing

### **PERFORMANCE IMPLICATIONS**

A housing office could help better support existing housing funding activities within DFA, housing and infrastructure related appropriations within the Local Government Division, and grow overall access to federal funding resources available to DFA and the state.

### **ADMINISTRATIVE IMPLICATIONS**

- DFA has been administering housing grant awards to local public bodies for the past three years and as the growing demand for housing assistance remains high the allocations and projects funded continues to increase.
- SB205 indicates that DFA is to provide administrative services to the newly created Housing Office which may include duties such as:
  1. Completing budgeting and procurement as needed for funding allocated
  2. Issuing funding to multiple entities to include grant agreements and/or contracts
  3. Providing program management for multiple projects statewide
  4. Reviewing and monitoring encumbrances and expenditures of projects
  5. Ensuring compliance with reporting and audit requirements

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

### **TECHNICAL ISSUES**

### **OTHER SUBSTANTIVE ISSUES**

### **ALTERNATIVES**

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