

LFC Requester:	Emily Hilla
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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: 2/12/25 *Check all that apply:*
Bill Number: SB 313 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

Senate Bill 313 (the Bill) proposes prohibiting political subdivisions from imposing minimum parking mandates for residential, commercial, or industrial properties within their jurisdictions. The bill defines a "minimum parking mandate" as any law, rule, or ordinance that specifies a minimum number of off-street vehicle parking spaces, including those within garages or other enclosed areas. An exception is provided for accessible parking spaces, allowing political subdivisions to establish minimum requirements to ensure accessibility compliance.

FISCAL IMPLICATIONS

Possible increased gross receipts tax and property tax revenue from increased development activity.

SIGNIFICANT ISSUES

Parking mandates are a significant challenge for new housing and economic development. By some estimates, the United States has at least three parking spaces per car, taking up vast resources and coming at a great cost to consumers. According to KRQE, as much as 1/3 of downtown Albuquerque is reserved for parking uses. Reforming parking standards is among the highest impact regulatory interventions to promote more housing and according to the Parking Reform Network, 22 state have introduced parking reform legislation with 10 states adopting at least one piece of parking reform legislation in the last five years.

Parking mandates for housing have a particularly acute impact on affordability. First, the development of parking stalls and ingress/egress for those stalls is a significant development expense, often costing developments \$10,000 or more per unit to construct. But more critically, parking stalls take up land that could otherwise be used for increased housing density or other community amenities. In the City of Santa Fe, the area dedicated for parking for a modest two-bedroom apartment exceeds the actual size of the housing unit. By taking up significant land areas, and limiting overall housing density, often below what's allowed in local zoning, parking mandates actually drive up housing costs. If more housing units were able to be developed on a given parcel of land, they would help distribute the fixed costs of development across more units, lowering per-unit development costs and ultimately providing more housing supply.

Reduced parking requirements are also correlated with higher levels of community amenities, compact, walkable mixed-use development, and promote small businesses who are often able to operate in smaller spaces with lower rents when not required to have extensive parking associated with their business. Extensive parking areas also create spaces that are profoundly unfriendly to pedestrians, dead spaces outside of business hours, and eyesores that break up the urban fabric.

Studies show that elimination of parking mandates also have extensive environmental benefits. Minneapolis eliminated parking requirements and has seen a decrease in both per capita and total car miles traveled. Parking stalls also create impervious surfaces that contribute to urban heat island effect and increase storm water runoff. Denser development without parking promotes utilization of public and other non-motorized forms of transportation and decreases urban sprawl. Ultimately, by mandating that new development, and especially housing, be required to provide large amounts of free parking, we are subsidizing the automobile industry which is one of the largest drivers of fossil fuel-driven climate change.

By eliminating parking mandates, this does not mean that new projects will be built without parking, just that a given business or builder will choose to create the amount of parking they believe suits their future activity, not an arbitrary number required by local code.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

Alternative approaches could be to limit the focus on the impacts of parking mandates on housing affordability. Some communities have implemented less-liberal reforms such as requiring just one off-site housing space per housing unit, or limiting removal of parking mandates within a certain distance of public transit resources.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS