

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: 2/11/25 *Check all that apply:*
Bill Number: S320-341 Original Correction
 Amendment Substitute

Sponsor: Sen. Gonzales **Agency Name and Code** DFA-341
Short Title: MOBILE HOME REPLACEMENT **Number:** _____
Person Writing Lori Vasquez
Phone: 505-469-6175 **Email:** Loretta.vasquez@dfa.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	2,000.0	Nonrecurring	GF

(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
Total						

(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

- Senate Bill 320 (SB320) appropriates \$2 million from the general fund to the Local Government Division (LGD) of the Department of Finance and Administration for the North Central New Mexico Economic Development District.
- The funds will be used in fiscal year 2026 to support mobile home replacement initiatives led by the Non-Metro New Mexico Area Agency on Aging. Any remaining unspent funds at the end of fiscal year 2026 will revert to the general fund.

FISCAL IMPLICATIONS

- The appropriation of \$2 million is a non-recurring expense from the general fund for expenditure in fiscal year 2026.
- Any unexpended or unencumbered balance remaining at the end of fiscal year 2026 shall revert to the general fund.

SIGNIFICANT ISSUES

- **Limited Scope:** The bill focuses on mobile home replacement initiatives in a specific region (North Central New Mexico), which may leave out other areas in need of similar support. This could raise concerns about equity and fairness in addressing statewide housing issues.
- **Unclear Program Details:** The bill does not provide specifics on how the mobile home replacement initiative will be implemented or managed. The absence of a clear framework for selecting recipients, administering funds, and monitoring outcomes could lead to inefficiencies or misuse of funds.
- **Lack of Oversight:** While the bill allocates funding, there is no mention of accountability measures or performance evaluations. Without strong oversight, it may be difficult to ensure that the funds are being used effectively to meet their intended purpose.
- **Potential for Unspent Funds:** If the \$2 million is not fully utilized by the end of fiscal year 2026, it will revert to the general fund. This raises the concern that the initiative may not reach its full potential, or that the allocation of funds could be rushed or ineffective to avoid reversion.
- **Unclear Impact on the Target Population:** There is no direct mention of how many mobile homes will be replaced or how the funding will directly benefit low-income or elderly populations, who are often the target demographic for such initiatives. Without these details, it's difficult to assess the potential impact of the bill.
- **Dependence on One Fiscal Year:** The funding is limited to fiscal year 2026, which may not be enough time to implement a large-scale initiative like mobile home replacement. A multi-year commitment could offer more flexibility for the program's success.

PERFORMANCE IMPLICATIONS

The performance implications depend heavily on how the funds are allocated, the effectiveness of the program's execution, and the monitoring and evaluation processes. Without specific performance metrics or accountability mechanisms in place, it may be difficult to gauge the true success or failure of the initiative goal.

ADMINISTRATIVE IMPLICATIONS

The administrative implications of this bill involve significant coordination between multiple agencies, the development of new systems for application and oversight, and the efficient management of funds within a strict timeframe. Effective planning and resource management will be essential for smooth execution and to avoid administrative challenges that could hinder the program's success.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

The lack of program guides and structure to outline the Mobile Home Replacement Process. Details on how the \$2 million funding will be allocated, managed, or distributed to recipients for efficiency. Will there be a tracking or monitoring system to measure how many mobile homes were replaced, how the funds were spent, and if the program is meeting its intended goals. Short window timeframe to use funding. Rushed decisions, planning, implementation, distribution could compromise the quality of the process and lead to delays or confusion in its execution. This requires effective coordination between all parties to ensure that the funds are being used effectively, which can be technically challenging if there isn't a clear framework for collaboration.

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

Flexible Multi-Year Funding Approach to have more time for planning and program administration allowing for more comprehensive and thorough outcome which would help reduce the risk of rushed decisions or incomplete projects. A combination of long-term support, local engagement, and targeted outreach could also be highly effective in achieving mobile home replacement while addressing broader housing needs.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Continued poor living conditions, financial burden on vulnerable populations, revitalizing communities, missing the opportunity to improve the physical condition of homes which could enhance the overall well-being of these people lives. These people might be forced to live in homes that create health hazards and take away the option of independence. Housing assistance or shelters would rise and cost a lot more than enacting this Bill would.

AMENDMENTS