

LFC Requester:	Leger
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**AGENCY BILL ANALYSIS
2023 REGULAR SESSION**

SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared: 02/16/23

Bill No: [HB414](#)

Sponsor: Chasey

Short Title: CREATE HOUSING

DEPARTMENT

Agency Name
and Code

Number: PED - 924

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
None	None	N/A	NFA

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25		
None	None	None	N/A	NFA

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	None	None	None	N/A	NFA

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in the General Appropriation Act: None.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 414 (HB414) would create the Housing Department, the purpose of which would be to provide for the administration of laws and programs that provide housing stabilization, homelessness prevention, transitional housing, standardization of housing services and increased development of housing.

FISCAL IMPLICATIONS

HB414 does not contain an appropriation.

PED's Education for Homeless Children and Youth (EHCY) Program is regularly supported by the federal EHCY grant of approximately \$800,000 per year, which supports office operations, including a state coordinator and assistant coordinator positions. Through FY24, 25 percent of the \$6.4 million American Rescue Plan grant funding is also funding two support positions for business operations and training programs.

SIGNIFICANT ISSUES

HB414 would transfer the functions of the services for homeless students program administered by the Public Education Department including the coordinator for students experiencing homelessness and federal funding to the Housing Department by November 1, 2023.

The EHCY federal grant program supports an office for coordination of the education of homeless children and youths in each state, which gathers comprehensive information about homeless children and youths and the impediments they must overcome to regularly attend school.

The grants also help state educational agencies ensure that homeless children, including preschoolers and youths, have equal access to free and appropriate public education. States must review and revise laws and practices that impede such equal access. States are required to have an approved plan for addressing problems associated with the enrollment, attendance, and success of homeless children in school. States must make competitive subgrants to local educational agencies to facilitate the enrollment, attendance, and success in school of homeless children and youths. This includes addressing problems due to transportation needs, immunization and residency requirements, lack of birth certificates and school records, and guardianship issues.

PED's EHCY coordinator regularly communicates with other divisions within PED regarding the support of homeless students in all these areas, which could continue through a Memorandum of Understanding between the agencies if HB 414 is enacted.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

PED's office for the Education for Homeless Children and Youth Program would be transferred to the Housing Department. Because the program is supported entirely by federal funding, PED would not lose any portion of the department's general fund budget.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

Many school districts have been reporting that access to affordable housing has been an issue for recruiting teachers and other school staff, especially in the Santa Fe and Albuquerque metro areas where rental and home prices rose approximately 20 percent from 2021 to 2022 to record highs.

According to the Santa Fe Association of Realtors 2022 Santa Fe Housing Report, at the end of 2022, average rental prices started at \$1,582 per month, and the median price of a home in the city of Santa Fe was \$583,000. The median price of a home in March 2022 in Albuquerque was \$325,000.

The existing definition of "affordable housing" in statute is residential housing primarily for persons or households of low or moderate income, which in today's economy would include most teachers and school staff. The minimum teacher salaries for Level, 1, 2 and 3 teachers are \$50,000, \$60,000, and \$70,000 respectively; educational assistants' statutory minimum salaries are \$12,000 per year.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None.

AMENDMENTS

None.