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## **FISCAL IMPACT REPORT**

SPONSOR: Taylor, J.G. DATE TYPED: 03/5/01 HB 264/aHFI#1

SHORT TITLE: Amend Manufactured Housing & Zoning Act SB

ANALYST: Valdes

### **APPROPRIATION**

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
			NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### **SOURCES OF INFORMATION**

Manufactured Housing Division, Regulation and Licensing Department

### **SUMMARY**

#### Synopsis of HFI#1 Amendment

This amendment broadens the definition of "excavated site" to a site that results in the upper plane of the concrete slab, or similar component of "any other" (instead of "another") authorized permanent foundation system, being below ground level or grade. In addition, the amendment prevents local ordinances from taking precedence over regulations authorized "or permitted" (this language added) by the Manufactured Housing and Zoning Act if it would have the effect of requiring manufactured housing be installed in an excavated site "in order to be included in" a development where site-built single-family housing is allowed.

#### Synopsis of Original Bill

- House Bill 264 would make impermissible or unenforceable any regulation or ordinance that requires, directly or indirectly, that manufactured houses be installed in an excavated site. "Excavated site," as defined, means a site that results in the foundation slab being "below ground level or grade." The effect would be to prohibit political subdivisions from mandating that manufactured homes be "sunken" into the ground rather than be installed above ground.
- Additionally, the bill would make impermissible or unenforceable any ordinance or regulation that excludes a manufactured home from a specific-use district in which site-built, single-family housing is allowed.

#### Significant Issues

Under present law, political subdivisions are not permitted to regulate any aspect of manufactured housing installation and uniform standards are refined throughout the state within the boundaries of all political subdivisions. Section 60-14-4 NMSA 1978 states, “Ordinances of any political subdivision of New Mexico relating to...installation or sale of manufactured homes shall not be inconsistent with any rules, regulations, codes or standards adopted by the division pursuant to the Manufactured Housing Act.” This bill strengthens existing law which prevents political subdivisions from adopting ordinances regulating installation or construction standards of mobile homes.

The City of Rio Rancho has adopted zoning ordinances intended to limit the placement of manufactured housing within its boundaries. It is their contention that municipalities should have the prerogative to develop zoning standards pertaining to manufactured housing within their boundaries, without being preempted by state law. The New Mexico Municipal League shares the same concern as the City of Rio Rancho with this bill.

### **OTHER SUBSTANTIVE ISSUES**

This bill will have a positive impact for the state’s economy and will allow additional home ownership in the state. It will encourage additional affordable housing for first time buyers and lower income residents who cannot afford site-built homes. Manufactured housing is 15-50% less expensive than site-built housing. It will allow individuals to improve their economic status by purchasing a home, building equity and lowering their tax burden.

MFV/njw