

LFC Requester:

Emily Hilla

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/20/2025

Check all that apply:

Bill Number: HB 442

Original x Correction
Amendment Substitute

Sponsor: Rep. Marian Matthews

Agency Name and Code Number: 305 – New Mexico Department of Justice

Person Writing

Short Title: Mobile Home Rent Stabilization

Analysis: Mari Kempton

Phone: 505-537-7676

Email: legisfir@nmag.gov

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
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A

Duplicates/Relates to Appropriation in the General Appropriation Act: N/A

SECTION III: NARRATIVE

This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator's request. The analysis does not represent any official policy or legal position of the NM Department of Justice.

BILL SUMMARY

Synopsis: This bill would add a rent stabilization feature to the Mobile Home Parks Act ("MHPA") by limiting how landlords may increase lot rent for residents.

Section 1 amends the definitions section of the MHPA to specifically include manufactured homes in the definition of "mobile home." Manufactured homes generally fall under the definition of "mobile home" under the current MHPA, so this is not a substantive change. The bill also makes several minor grammatical fixes to the definitions section.

Section 2 adds a new section to the MHPA stating that after July 1, 2025, landlords can only raise the rent on a mobile home park space once per year. During the first year after July 1, 2025, any increase in rent would be capped at 3%. Starting July 1, 2026, any increases would be capped at 5% per year.

Section 3 increases the penalty for a landlord's violation of the MHPA from \$500 to two times the monthly rent and expands the application of the penalty to any violation of the MHPA rather than the particular sections identified in the current MHPA. It also would make violations of certain sections of the MHPA (47-10-19 through 47-10-22) automatic violations of the NM Unfair Practices Act.

Section 4 provides an effective date of July 1, 2025.

FISCAL IMPLICATIONS

N/A.

SIGNIFICANT ISSUES

N/A.

PERFORMANCE IMPLICATIONS

N/A.

ADMINISTRATIVE IMPLICATIONS

N/A.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Section 3 of this bill increasing the violation penalty to two times the monthly rent and making MHPA violations automatic UPA violations is similar but conflicting with the amendments to NMSA 47-10-23 proposed in HB 418. This bill would make the penalty apply to all violations of the MHPA and keep the current “may” language allowing a court discretion in whether to impose the penalty.

HB 418 would keep the penalty applicable only to some MHPA violations (violations of Sections 47-10-19 through 7-10-22) as under current law but make the penalty mandatory by changing “may” to “shall.” That bill would also give the attorney general explicit jurisdiction to investigate and recover the same penalty as a tenant for any violations.

Other than the above conflict, this bill does not overlap, duplicate or conflict with any provisions in the related MHPA bills HB 418 and HB 426.

TECHNICAL ISSUES

N/A.

OTHER SUBSTANTIVE ISSUES

N/A.

ALTERNATIVES

N/A.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

N/A.