

<b>LFC Requester:</b>	<b>Serna</b>
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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:** Feb 24, 2025 *Check all that apply:*  
**Bill Number:** SB 400 Original  Correction   
 Amendment  Substitute

**Sponsor:** Antoinette Sedillo Lopez **Agency Name and Code** AOC 218  
**Short Title:** Release of Certain People from Rent Agreement **Number:** Metro Court 244  
**Person Writing** Dana L. Cox  
**Phone:** 505-841-9840 **Email** metrdlc@nmcourts.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
<b>Total</b>	NFI	NFI	NFI	NFI		

(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**

Synopsis:

SB 400 proposes certain gender neutral and other stylistic updates and clarifying language to NMSA 1978, § 47-8-33 on “Breach of Agreement by Resident and Relief by Owner” of the Uniform Owner-Resident Relations Act (“UORRA”). Section 47-8-33 currently includes provisions for when a resident is a victim of domestic violence, which SB 400 proposes to amend to also include sexual assault.

SB 400 also proposes to add a new section to UORRA entitled, “No Penalty Termination of Rental Agreement,” which would allow a resident to terminate a rental agreement if the resident provides written notice to the owner that the resident is the victim of domestic violence or sexual assault that occurred in the dwelling unit or on the premises within thirty (30) days prior to the notice. The Bill provides that the resident would not be liable for future rent and also would not incur any early termination penalties if the resident vacates the premises on a mutually agreed date within thirty (30) days of the date of the notice and provides the owner with a copy of one of the following: (1) a copy of a protective order issued to the resident who is the victim of domestic violence or sexual assault; or (2) a letter or form from a provider of services for victims of domestic violence or sexual assault that states that the resident is a victim of domestic violence or sexual assault that occurred in the dwelling unit or on the premises.

This new section of UORRA would also allow the owner to waive the requirement that the “actions, events or circumstances that resulted in the resident being a victim of domestic violence or sexual assault [have] occurred within the thirty-day period immediately preceding the written notice” to the owner.

If the resident terminates the rental agreement under this new section of UORRA, then the resident would only be liable for rent owed through the termination date including any previous obligations that were outstanding on that date. The resident would be required to pay the owner any amount due before the date on which the resident vacates the dwelling unit. But, if the resident has prepaid rent that would apply for the month in which the rental agreement is terminated, then the owner may retain that prepaid rent and no refund is due to the resident. The owner would not be allowed to withhold the security deposit for early termination, but the owner could withhold the deposit for damages to the premises suffered by the landlord that were caused by the resident’s damage or failure to maintain the premises.

If the owner were to install a new lock on the premises at the resident’s request, this new section of UORRA would allow the owner to refuse to provide a key that opens the new lock to the person alleged to have committed the domestic violence or sexual assault. The Bill also would require the owner to refuse to provide the person alleged to have committed domestic violence or sexual assault with access to the dwelling unit to reclaim property unless a law enforcement officer accompanied that person.

The Bill also provides that, if a resident, who terminates a rental agreement under this new

section of UORRA, is convicted of falsely filing for an order or protection for domestic violence or for sexual assault, the resident shall be liable for treble damages for the premature termination of the rental agreement.

The Bill also provides that a person, who is alleged to have committed domestic violence or sexual assault in an order of protection or in a letter or form from a provider (referenced above), that provokes an early termination of a rental agreement is “deemed to have interfered with the rental agreement between the owner and the resident” – regardless of whether or not the person who is alleged to have committed domestic violence or sexual assault is a party to the rental agreement. That person also “may be civilly liable for all economic losses incurred by an owner” for the early termination of the rental agreement due to the domestic violence or sexual assault. This civil liability includes liability for “unpaid rent, early termination fees, costs to repair damage to the premises and reductions or waivers of rent previously granted to the resident who was the victim of domestic violence or sexual assault.”

The Bill also provides that, if there are multiple residents who are parties to a rental agreement that has been terminated pursuant to this new section of UORRA, the tenancy for those residents also would terminate, and they may be released from their financial obligations. But, any of those remaining residents, who are not the person alleged to have committed domestic violation or sexual assault, may also be allowed to enter into a new rental agreement with the owner if they meet all current application requirements.

Lastly, SB 400 provides that any emergency order of protection or a protective order issued to a resident would apply to the entire residential rental property in which the resident has a rental agreement.

SB 400 would be effective July 1, 2025.

## **FISCAL IMPLICATIONS**

With the complexity to questions of liability for rent and damages that SB 400 would add to UORRA and the additional defenses and evidence that could be presented at any trial on a petition for writ of restitution or in a hearing on damages, there could be an increase in the length of these trials and evidentiary proceedings on damages, but any corresponding fiscal impact to the courts would be difficult to quantify.

## **SIGNIFICANT ISSUES**

See also Performance Implications.

Paragraph A (1) of Section 2 of SB 400 refers to a resident’s provision of a “protective order” but does not specify whether a temporary order of protection under NMSA 1978, § 40-13-4 would suffice or if an Order of Protection under NMSA 1978, § 40-13-5 would be required.

SB 400 also does not clarify what is meant by “domestic violence” and if the Bill means to refer to “domestic abuse” under the Family Violence Protection Act, NMSA 1978, § 40-13-2(D), or if some other definition is intended. Similarly, SB 400 does not clarify what is meant by “sexual assault” and if felony criminal sexual penetration under NMSA 1978, § 30-9-11 is intended or if the misdemeanor crime of criminal sexual contact under NMSA 1978, § 30-9-12 would also satisfy this requirement. The Bill is also not clear if the early termination provisions without penalty would apply if the victim of the domestic violence or sexual assault was a minor child

resident (e.g. under NMSA 1978, § 30-9-12), but, as a minor, the victim was not a party to a rental agreement.

SB 400 would terminate a rental agreement and deny a person with access to the premises upon an allegation by the resident who alleges to be a victim without the person having been charged with or convicted of sexual assault.

Paragraph C, line 24 of Section 2 of SB 400 refers to “landlord” instead of “owner,” which is the term referenced elsewhere in this proposed new section of UORRA, and owner, not landlord, is also the defined term in NMSA 1978, § 47-8-3(L).

#### **PERFORMANCE IMPLICATIONS**

Paragraph C of Section 2 of SB 400 could invite confusion in that in one part it provides that “the resident is liable only for rent owed or paid through the date of the rental agreement termination...,” which suggests that rent would be prorated through the termination date. But, then later in that same paragraph, it provides that, “If the resident has prepaid rent that would apply for the month in which the rental agreement is terminated, the owner may retain the prepaid rent and no refund is due to the resident.”

#### **ADMINISTRATIVE IMPLICATIONS**

None

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None

#### **TECHNICAL ISSUES**

None

#### **OTHER SUBSTANTIVE ISSUES**

None

#### **ALTERNATIVES**

None

#### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Status quo.

#### **AMENDMENTS**

None