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FISCAL IMPACT REPORT

Reps. Parajon, Matthews, Romero and
SPONSOR Silva/Sen. Maestas **LAST UPDATED** _____
ORIGINAL DATE 2/24/25

BILL
SHORT TITLE Mobile Home Park Sale Notices **NUMBER** House Bill 426

ANALYST Hilla

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
State	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact	Recurring	General Fund
Total	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
New Mexico Attorney General (NMAG)
Mortgage Finance Authority (MFA)
Governor's Office of Housing

SUMMARY

Synopsis of House Bill 426

House Bill 426 (HB426) adds to the Mobile Home Park Act to require owners to notify each resident of a mobile home park and the Mortgage Finance Authority (MFA) of any bona fide offer for sale that the owner intends to accept. If at least 51 percent of residents express intent to buy within 90 days and secure financing within an additional 90 days, they have priority over third-party buyers. The bill imposes financial penalties of either \$100 thousand or 20 percent of the appraised value of the mobile home park, whichever is greater. HB426 prohibits waiving resident rights and legal action enforced by the New Mexico Attorney General (NMAG).

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

This bill does not impose a direct fiscal impact on the state.

SIGNIFICANT ISSUES

MFA states Colorado, Montano, California, and other states have similar laws as outlined in HB426. The Office of Housing states that more than 35 thousand people live in manufactured land-lease communities in the state, with San Juan County having the highest rate of manufactured housing of any other county in the United States. Both the Office of Housing and MFA indicate the bill would contribute to affordable housing options.

NMAG states the bill grants authority for the NMAG to enforce the new section but not to take any action, noting the Mobile Home Park Act does not explicitly provide for enforcement by the NMAG.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB426 relates to House Bill 418 and House Bill 442, which make other amendments to the Mobile Home Park Act.

TECHNICAL ISSUES

The NMAG notes the following:

Subsection C (1)-(3) may contain a technical error: It appears the intent of that subsection was to require that documentation verifying that 51 percent of residents approved the purchase offer be submitted to the owner, but as written would require that 51 percent of the residents individually submit documentation to the owner and close on the purchase.

EH/hj/hg/sgs