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FISCAL IMPACT REPORT

SPONSOR <u>House Government, Elections and Indian Affairs Committee</u>	LAST UPDATED _____ ORIGINAL DATE <u>3/10/25</u>
SHORT TITLE <u>Mobile Home Park Regulatory Framework</u>	BILL NUMBER <u>CS/House Memorial 35/HCEICS</u>
ANALYST <u>Hilla</u>	

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
RLD, NMAG, PRC, Office of Housing	No fiscal impact	Indeterminate but minimal	No fiscal impact	Indeterminate but minimal	Nonrecurring	See Fiscal Implications

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Conflicts with House Bill 442

Relates to House Bill 426

Sources of Information

LFC Files

Agency Analysis Received From

New Mexico Attorney General (NMAG)
 Regulation and Licensing Department (RLD)
 Office of Housing
 Public Regulation Commission (PRC)
 New Mexico Mortgage Finance Authority (MFA)

SUMMARY

Synopsis of HGEIC Substitute of House Memorial 35

The House Government, Elections and Indian Affairs Committee (HGEIC) substitute of House Memorial 35 (HM35) requires the Regulation and Licensing Department (RLD), the New Mexico Mortgage Finance Authority (MFA), the Public Regulation Commission (PRC), the Governor’s Office of Housing, the chair of the Opportunity Enterprise and Housing Development Review Board, and the New Mexico Attorney General (NMAG), a landlord of a mobile home, and a resident of a mobile home to develop a regulation framework for mobile home park tenancies and rent stabilization for mobile home residents. RLD is to provide the necessary staff and administrative support to the workgroup. HM35 requires conclusions and recommendations to be reported to appropriate legislative committees by December 1, 2025, and recommendations based on the second report by September 1, 2026.

FISCAL IMPLICATIONS

This fiscal analysis assumes the work of the required agencies will start and end in FY26 given the memorial's effective date and reporting deadline. This analysis assumes that requirements of HM35 can be fulfilled with RLD's operating budget, especially considering the work is nonrecurring. The requirements of HM35 would impact state agencies' respective funding streams for personnel, which may include revenue from the general fund, other state funds, and internal service funds/interagency transfers, depending on the agency.

SIGNIFICANT ISSUES

RLD states the Manufactured Housing Department at the agency does not regulate mobile home parks but is responsible for the inspection of manufactured homes that are installed, repaired and remodeled within mobile home parks. MFA adds that 17 percent of the state's occupied housing stock are manufactured housing, with the Office of Housing adding that the state has some of the highest rates of manufactured housing in the nation. The Office of Housing encourages participation from local governments in HM35.

ADMINISTRATIVE IMPLICATIONS

HM35 would temporarily increase the workload for the required agencies.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HM35 relates to House Bill 426, which sets new requirements for notices of sale of mobile home parks. The memorial conflicts with the House Judiciary Committee substitute of House Bill 442, which would provide for mobile home parks workgroup with the same members as HM35, with RLD chairing and providing administratively for the workgroup with similar reporting guidelines to provide for rent stabilization.

EH/hj/SL2/hg/sgs