

LFC Requester:

Emily Hilla

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://www.nmlegis.gov/AgencyAnalysis) and email to 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:** 01/06/2025*Check all that apply:***Bill Number:** HB 98Original Correction Amendment Substitute **Agency Name****and Code**

N/A

Number:**Sponsor:** Anyanonu and Johnson**Short Title:** Automatic Expungement of Eviction Records**Person Writing** Taylor Cook**Phone:** (505)469-2755 **Email:** Taylor.cook@exec.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---------------|------|---------------------------|---------------|
| FY25 | FY26 | | |
| NA | NA | NA | NA |
| | | | |

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring or Nonrecurring | Fund Affected |
|-------------------|------|------|---------------------------|---------------|
| FY25 | FY26 | FY27 | | |
| NA | NA | NA | NA | NA |
| | | | | |

(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 | NA | NA | NA | NA | NA | NA |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

SECTION III: NARRATIVE

BILL SUMMARY

This bill creates a new section in the Uniform Owner-Resident Relations Act that requires that all public records held by a court, agency, or local jurisdiction related to a person's eviction shall be automatically expunged five years after a person's eviction. It also requires that the administrative office of the courts to implement a procedure for expungement to verify, upon request, that the expungement has occurred. These requests are required to be confidential.

FISCAL IMPLICATIONS

NA

SIGNIFICANT ISSUES

Once an eviction appears on a person's record, securing rental housing in the future becomes significantly more difficult and costly. Bernalillo County has the highest rate of evictions in the State of New Mexico, with one eviction filed for ever 10 renter households per year¹. Statewide there are more than 15,000 evictions occurred in 2023.² In an increasingly tight rental market, households that have been evicted face growing challenges in finding landlords willing to lease to them. As a result, evictions become a major driver of homelessness and create persistent barriers for individuals attempting to exit homelessness.

PERFORMANCE IMPLICATIONS

NA

ADMINISTRATIVE IMPLICATIONS

There will be some initial administrative implications in expunging all eviction records older than five years. Additionally, ongoing administrative work will be required to continue expungements. However, existing expungement processes are already in place, and no new functions need to be created to meet the ongoing requirements proposed by this bill.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

NA

TECHNICAL ISSUES

NA

OTHER SUBSTANTIVE ISSUES

NA

ALTERNATIVES

There are policy alternatives that provide opportunities for mediation or cure periods to help avoid evictions. In the cases that do result in an eviction, mandating that records are sealed when they are filed would make the tenant's name confidential until a case is decided in the landlord's favor. Without sealed filings, the filing is public information, and a person may still be perceived as a risky tenant even if the courts issue a ruling in their favor. Once an eviction has been executed,

¹ From Eviction Lab at <https://evictionlab.org/>

² <https://www.unitedsouthbroadway.org/eviction-sealing-should-top-new-mexicos-legislative-housing-agenda>

expungement is the most reasonable option for ensuring that it does not result in a lifetime of punishment.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

People who have an eviction on their record will have to go through the potentially expensive process of petitioning the court for an expungement themselves, which is not reasonable if an inability to pay rent resulted in an eviction.

AMENDMENTS

The sponsor should also consider sealing records prior to an eviction hearing.