

LFC Requester:	Emily Hilla
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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: February 14, 2025
Bill Number: HB418

Check all that apply:
 Original X Correction
 Amendment Substitute

Sponsor: Rep. Cristina Parajon, Rep. Patricia Caballero
Short Title: MOBILE HOME RENTAL AGREEMENTS & LANDLORDS

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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:
 Duplicates/Relates to Appropriation in the General Appropriation Act

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: HB 418 would amend the Mobile Home Park Act (“MHPA”) to add some additional protections for tenants who rent a space for their homes in the park. The new protections include requiring initial term leases to be a minimum of two years, providing a 30-day right to cure certain violations, extending the notice period to one year when tenants must move due to a change in land use of the park, and increasing the penalty for landlord violations from \$500 to two times monthly rent.

Section 1 (A) would add a requirement that initial leases be a minimum of two years long. It also reiterates that tenancies cannot be terminated except for cause as defined in the statute, a protection that already exists under current law in NMSA 47-10-5.

Section 1 (C) would give tenants the right to cure certain violations within 30 days of notice (material violations of law for which the tenant was cited by the government, substantial annoyance to other tenants, or material failure to comply with park rules or the lease.) For terminations due to government condemnation of the park, the landlord would be required to give 30 days notice to move a mobile home, or 60 days for a multi-section home. When termination is due to violations by a resident of the mobile home who is not the tenant, the bill creates a new right for the tenant to cure the violation within 30 days of notice.

Section 1 (F) would add a new subsection stating that a landlord that uses a rental agreement containing provisions that violate the MHPA shall be liable for two times the monthly rent.

Section 2 adds a new requirement that when landlords file to evict tenants in court, the complaint must contain the mailing address of the landlord.

Section 3 raises the standard for a landlord to terminate a lease by requiring that if the lease is terminated due to the tenant’s violation of local or state laws, the violation must be material and the tenant must have been cited by law enforcement for the violation and failed to cure. Likewise the standard to evict a tenant for conduct constituting an annoyance is raised to require material conduct that constitutes a substantial annoyance to others.

Section 3 (c) removes complex language qualifying when the landlord may amend park rules and adds simply that rules may be amended pursuant to the MHPA.

Section 3 (E) increases the notice required to evict tenants for permissive change of land use of the park from six to twelve months, and prohibits raising the rent during the 12-month period, as well as requiring the landlord to serve tenants with notices of any land use hearings on the landlord's petition for change of land use.

Section 4 increases the time a tenant has to cure late rent or move out of the park from three to thirty days from service of the late rent notice.

Section 5 increases the time a tenant has to move following an eviction judgment (before the sheriff can remove them) from 48 hours to ten days.

Section 5 (K) adds a new sentence providing that a landlord shall not unreasonably withhold approval of a tenant's sale of the mobile home to a purchaser who will continue to live in the park.

Section 6 (B) removes a sentence from the current MHPA alternative dispute resolution section stating that either party may terminate the mediation at any time without prejudice.

Section 7 changes the penalty for a landlord's violations of the MHPA from \$500 to two times the monthly rent and adds a provision that the attorney general may investigate and enforce the MHPA.

FISCAL IMPLICATIONS

None.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

The bill would give NMDOJ the ability to enforce the MHPA but does not require the NMDOJ to take any action. Currently the MHPA does not explicitly provide for enforcement by NMDOJ.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 426 also proposes amendments to the Mobile Home Parks Act but does not overlap, duplicate or conflict with the provisions in this bill. That bill relates to tenants' opportunity to purchase the mobile home park if the owner intends to sell it.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

None.