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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov 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}

Check all that apply: Date Prepared: Feb 14, 2024 **Bill Number:** HB 418 Original X Correction Amendment Substitute

> **Agency Name** 992 – New Mexico Mortgage

Finance Authority and Code

Number: (Housing New Mexico | MFA) **Sponsor:** Cristina Parajón

MOBILE HOME RENTAL **Person Writing** Robyn Powell **Short**

AGREEMENTS & LANDLORDS Title: Phone: 505-767-2271 Email rpowell@housingnm.org

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

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

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

| | Recurring | Fund | | |
|------|-----------|------|--------------------|----------|
| FY25 | FY26 | FY27 | or Nonrecurring | Affected |
| 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 |
|------|------|------|------|----------------------|---------------------------|------------------|
| Tota | I NA | NA | NA | NA | NA | NA |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Relates Mobile Home Park Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB 418 proposes several amendments to the Property Law Article 10 Mobile Home Parks including:

- a requirement that the initial lease term is at least 24 months and can only be terminated for cause,
- a tenant shall be allowed to cure a violation in lieu of eviction,
- a tenant shall be allowed at least 30 days to remove a mobile home in the event of termination,
- landlords are liable for damages if they use a rental agreement that contains provisions that violate the Mobile Home Part Act,
- requires a termination letter to include a mailing address for the landlord,
- increases the time allowed for a tenant to be evicted in cases of a zoning change from 6 to 12 months and requires that rent not be increased during that time,
- increases the number of days after notice of eviction for failure to pay rent from 3 to 30 days,
- increases the time allowed from 48 hours to 10 days for a writ of restitution,
- increases liability of violations of the Mobile Home Park Act from \$500 to two times the amount of the total monthly rent, and
- gives authority to the attorney general to investigate alleged violations of the Mobile Home Part Act and recover civil penalties.

FISCAL IMPLICATIONS

No fiscal implications to MFA.

SIGNIFICANT ISSUES

According to the New Mexico Housing Strategy¹, mobile homes provide a large share of housing stock in many counties and are the second largest housing type after single family detached homes in every county except for Bernalillo, Curry, and Los Alamos. In New Mexico, homeownership of mobile homes contributes significantly to its overall high homeownership rate. In several counties—including Hidalgo, San Miguel, More, Guadalupe, Roosevelt, and Harding— the share of mobile homes as increased significantly since 2000 and in many counties—Torrance, Sierra, Rio Arriba, Luna, Socorro, San Juan, Catron, Hidalgo, San Miguel, and Mora— mobile homes represent over a third of the total housing stock. Additionally, a large percentage of mobile homes were built before 1980. Residents of mobile homes are also more likely to be housing cost burdened, have a lower income, have a household member with a disability, and/or are a member of a minority group.

PERFORMANCE IMPLICATIONS

¹ https://housingnm.org/the-new-mexico-housing-strategy

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CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS