

LFC Requester:	Hilla, Emily
-----------------------	---------------------

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}

Date Prepared: 2/20/25 *Check all that apply:*
Bill Number: HB 462 Original Correction
 Amendment Substitute

Sponsor: Rep. Tara L. Lujan **Agency Name and Code:** AOC
Short Title: Nonpayment of Rent Notice **Number:** 218
Period **Person Writing:** Kathleen Sabo
Phone: 505-470-3214 **Email:** aoccaj@nmcourts.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
None	None	Rec.	General

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
Unknown	Unknown	Unknown	Rec.	General

(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	Unknown	Unknown	Unknown	Unknown	Rec.	General

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Conflicts with SB 400 (also amending Section 47-8-33 NMSA 1978).

Duplicates/Relates to Appropriation in the General Appropriation Act: None.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB 462 amends Section 47-8-33(D) NMSA 1978, within the Uniform Owner-Resident Relations Act, and governing breach of agreement by resident and relief by owner, to increase the notice period for nonpayment of rent from three days to ten days. Under the amendment if the resident tenders the full amount due prior to the expiration of the ten-day notice, an action for nonpayment of rent is barred. HB 462 also amends Subsection J to provide that in an action for possession pursuant to Subsection I, when the resident knowingly commits or consents to another person knowingly committing a substantial violation, it shall be a defense that the resident was a victim of domestic violence during the conduct.

FISCAL IMPLICATIONS

There will be a minimal administrative cost for statewide update, distribution and documentation of statutory changes. Any additional fiscal impact on the judiciary would be proportional to the enforcement of this law and a potential decrease in the number of actions for nonpayment of rent. Although, this decrease could be offset due to the additional evidence that a resident was a victim of domestic violence during the conduct committed in violation of a lease that could be presented at any trial on a petition for writ of restitution or in a hearing on damages that would potentially lengthen these trials and evidentiary proceedings on damages. New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

SIGNIFICANT ISSUES

- 1) According to the National Housing Law Project, examples of state and local domestic violence housing protections include laws that:

- (1) prohibit housing discrimination based on an applicant or tenant's status as a survivor of domestic violence; (2) provide an eviction defense where the landlord tries to evict the victim because the abuser committed a crime or lease violation at the rental unit; (3) bar landlords from limiting a tenant's right to call for police or emergency assistance; (4) require landlords to change locks where tenants have provided documentation of domestic violence; and (5) permit early lease termination without further obligation to pay the rent where tenants provide landlords with documentation of domestic violence.

See *Housing Rights of Domestic Violence Survivors, A state and Local Law Compendium*, January 2013,
<https://nhlp.org/files/Domestic%20violence%20housing%20compendium%20FINAL7.pdf>.

- 2) In December 2023, the Department of Housing and Urban Development (HUD) published a rule extending the notice period for an eviction based on nonpayment of rent

to 30 days and require language be added to written notices instructing tenants on how to cure lease violations for nonpayment of rent. In support of the proposed rule, HUD cited the harm evictions cause and the unequal distribution of such harm on people of color, women, and families with children. See *30-Day Notification Requirement Prior to Termination of Lease for Nonpayment of Rent*, Federal Register, December 2023, <https://www.federalregister.gov/documents/2023/12/01/2023-26348/30-day-notification-requirement-prior-to-termination-of-lease-for-nonpayment-of-rent> .

PERFORMANCE IMPLICATIONS

The courts are participating in performance-based budgeting. This bill may have an impact on the measures of the district courts in the following areas:

- Cases disposed of as a percent of cases filed
- Percent change in case filings by case type

ADMINISTRATIVE IMPLICATIONS

See “Fiscal Implications,” above.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Conflicts with SB 400 (also amending Section 47-8-33 NMSA 1978).

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS