HOUSE JUDICIARY COMMITTEE SUBSTITUTE FOR HOUSE BILL 418

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

AN ACT

RELATING TO MOBILE HOMES; PROHIBITING INITIAL RENTAL AGREEMENTS SHORTER THAN TWELVE MONTHS; CLARIFYING NOTICE REQUIREMENTS; INCREASING THE PERIOD IN WHICH A WRIT OF RESTITUTION MAY BE SERVED AFTER JUDGMENT; PROHIBITING LANDLORDS FROM UNREASONABLY RESTRICTING THE SALE OF A MOBILE HOME; ELIMINATING A PARTY'S OPTION TO TERMINATE A DISPUTE RESOLUTION PROCESS; REQUIRING LANDLORDS TO DISCLOSE A MAILING ADDRESS IN A TERMINATION ACTION; INCREASING THE NOTICE PERIOD FOR NONPAYMENT OF RENT; PROHIBITING LANDLORDS FROM INCREASING RENT DURING LAND USE CHANGE NOTICE PERIODS; REQUIRING LANDLORDS TO PROVIDE NOTICE OF LAND USE CHANGE HEARINGS; REVISING CIVIL REMEDIES; INCREASING THE AMOUNT A RESIDENT MAY RECOVER.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO: SECTION 1. Section 47-10-2 NMSA 1978 (being Laws 1983,

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Chapter 122, Section 2, as amended) is amended to read:

Act:

A. "abandoned" means absence of the resident from

the mobile home, without notice to the landlord, in excess of seven continuous days, providing such absence occurs after the mobile home lot rent is delinquent;

"47-10-2. DEFINITIONS.--As used in the Mobile Home Park

B. "first lienholder" means a person or the person's successor in interest who has a security interest in a mobile home, whose interest has been perfected pursuant to the provisions of Section 66-3-201 NMSA 1978 and whose interest is prior to any other security interest in the mobile home;

[A.] C. "landlord" or "management" means the owner or [any] a person responsible for operating and managing a mobile home park or an agent, employee or representative authorized to act on the management's behalf in connection with matters relating to tenancy in the park;

[B.] D. "mobile home" means a single-family dwelling built on a permanent chassis designed for long-term residential occupancy and containing complete electrical, plumbing and sanitary facilities designed to be installed in a permanent or semipermanent manner with or without a permanent foundation, which dwelling is capable of being drawn over public highways as a unit or in sections by special permit. "Mobile home" does not include a recreational travel trailer or

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a recreational vehicle, as those terms are defined in Section 66-1-4.15 NMSA 1978;

E. "material" means:

- (1) one or more substantial violations of the rental agreement; or
- (2) repeated minor violations of the rental agreement that:
- (a) disrupt the livability of the mobile home park;

(b) adversely affect the health or safety of a person or the right of a resident to the quiet enjoyment of the leased premises and related facilities; or

(c) interfere with the management of the park or have an adverse financial effect on the park;

[6.] F. "mobile home park", "trailer park" or "park" means a parcel of land used for the continuous accommodation of twelve or more occupied mobile homes and operated for the pecuniary benefit of the owner of the parcel of land, [his] the owner's agents, lessees or assignees. "Mobile home park" does not include mobile home subdivisions or property zoned for manufactured home subdivisions;

[Đ.] G. "mobile home space", "space", "mobile home lot" or "lot" means a parcel of land within a mobile home park designated by the management to accommodate one mobile home and its accessory buildings and to which the required sewer and

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existing facilities and appurtenances therein, including furniture and utilities where applicable, and grounds, areas and existing facilities held out for the use of the residents

and

[F_{\bullet}] I. "rent" means any money or other consideration to be paid to the management for the right of use, possession and occupation of the premises;

generally or the use of which is promised to the resident;

[G.] J. "rental agreement" means a written agreement, including those conditions implied by law, between the management and the resident establishing the terms and conditions of a tenancy, including reasonable rules and regulations promulgated by the park management. A lease is a rental agreement;

[H.] K. "resident" means [any] a person or family of [such] the person [owning] with a legal or equitable ownership interest in a mobile home that is subject to a tenancy in a mobile home park under a rental agreement;

[H.] L. "tenancy" means the right of a resident to use a space or lot within a park on which to locate, maintain and occupy a mobile home, lot improvements and accessory structures for human habitation, including the use of services and facilities of the park; and

[J.] <u>M.</u> "utility services" means electric, gas, .231386.3

water or sewer services, but does not include refuse services.

[K. "first lienholder" means a person or his successor in interest who has a security interest in a mobile home, whose interest has been perfected pursuant to the provisions of Section 66-3-201 NMSA 1978 and whose interest is prior to any other security interest in the mobile home; and

L. "abandoned" means absence of the resident from
the mobile home, without notice to the landlord, in excess of
seven continuous days, providing such absence occurs after the
mobile home lot rent is delinquent]"

SECTION 2. Section 47-10-3 NMSA 1978 (being Laws 1983, Chapter 122, Section 3, as amended) is amended to read:

"47-10-3. TENANCY--REQUIREMENTS--NOTICE TO QUIT.--

A. No tenancy or other lease or rental occupancy of space in a mobile home park shall commence without a written lease or rental agreement. [and] The initial term of a written agreement between a landlord or management and a resident for a new lease or lease assignment shall not be shorter than twelve months. After the initial term, if a tenancy continues without a written lease renewal, the tenancy shall be a periodic tenancy with monthly periods. A tenancy shall not be terminated, which shall include a refusal to renew, except for cause provided pursuant to Section 47-10-5 or 47-10-6 NMSA 1978. No tenancy in a mobile home park shall be terminated until a notice to quit has been served upon the mobile home

resident. The notice to quit shall be in writing directed to
the resident and in the form specified in this section. The
form of notice shall be deemed legally sufficient if it states:

- (1) the name of the landlord or of the mobile home park;
 - (2) the mailing address of the property;
- (3) the location or space number upon which the mobile home is situated;
- (4) the county in which the mobile home is situate; and
- (5) the reason for the termination of the tenancy and the date, place and circumstances of any acts allegedly justifying the termination.
- B. The notice to quit shall be served by delivering the notice to the mobile home [tenant] resident personally or by posting the notice at the main entrance of the mobile home. If service is made by posting the notice, a copy of the notice shall also be sent by certified mail to the mobile home [tenant] resident, return receipt requested. The date of a posting shall be included on the posted notice and on the copy mailed to the mobile home [tenant] resident and shall constitute the effective date of the notice.
- C. For terminations initiated pursuant to

 Subsections A, B and C of Section 47-10-5 NMSA 1978, the

 [tenant] resident shall be given a period of not less than

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thirty days from the end of the rental period during which the termination notice was served to <u>cure any violation or</u> remove any mobile home from the premises but [which] that is automatically extended to sixty days where the [tenant] resident must remove a multisection mobile home. In those situations where a multisection mobile home is being leased to or occupied by a person other than its owner and in a manner contrary to the rules and regulations of the landlord, [then, in that event] the tenancy may be terminated by the landlord upon giving a thirty-day notice to cure or quit instead of a sixty-day notice.

- D. No lease shall contain any provision by which the [tenant] resident waives [his] the resident's rights under the Mobile Home Park Act, and any such waiver shall be deemed to be contrary to public policy and shall be unenforceable and void. Any lease, however, may provide for the termination of the tenancy in accordance with the provisions of Subsection C of this section.
- E. No tenancy shall be terminated by a mobile home park owner solely because of the size or age of the mobile home.
- F. A landlord who uses a rental agreement

 containing provisions that violate the provisions of the Mobile

 Home Park Act shall be liable for damages provided pursuant to

 Section 47-10-23 NMSA 1978."

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SECTION 3. Section 47-10-4 NMSA 1978 (being Laws 1983, Chapter 122, Section 4) is amended to read:

"47-10-4. ACTION FOR TERMINATION.--

- A. The action for termination shall be commenced and prosecuted in the manner described in the Uniform Owner-Resident Relations Act. The property description shall be deemed legally sufficient if it states:
- (1) the name <u>and mailing address</u> of the landlord or of the mobile home park;
 - (2) the mailing address of the property;
- (3) the location or space number upon which the mobile home is situated; and
- (4) the county in which the mobile home is situate.
- B. Service of the summons shall be as specified in Section 47-8-43 NMSA 1978. Service by posting shall be deemed legally sufficient within the meaning of Section 47-8-43 NMSA 1978 if the summons is conspicuously affixed to the main entrance of the mobile home.
- C. Jurisdiction of courts in [cases of forcible entry, forcible detainer or unlawful detainer] an action for termination shall be as specified in Section [47-8-49] 47-8-10 NMSA 1978.
- D. After commencement of the action and before judgment, any person not already a party to the action who is .231386.3

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discovered to have a property interest in the mobile home shall be allowed to enter into a stipulation with the landlord and be bound thereby."

SECTION 4. Section 47-10-5 NMSA 1978 (being Laws 1983, Chapter 122, Section 5) is amended to read:

"47-10-5. REASONS FOR TERMINATION.--A tenancy shall be terminated pursuant to the Mobile Home Park Act only for one or more of the following reasons:

- failure of the [tenant] resident to comply with local ordinances and state laws and regulations concerning mobile homes if the resident receives a notice of noncompliance from the appropriate government agency and fails to cure the violation within the prescribed time period;
- material conduct of the [tenant] resident on the premises [which] that constitutes [an] a substantial annoyance to other [tenants] residents or interference with park management;
- material failure of the [tenant] resident to comply with written rules and regulations of the mobile home park either established by the management in the rental agreement at the inception of the tenancy or amended subsequently [thereto with the consent of the tenant or amended subsequently thereto without the consent of the tenant on thirty days' written notice if the amended rules and regulations are reasonable, except when local ordinances and

state laws and regulations or emergency situations require
immediate compliance. However, regulations applicable to
recreational facilities may be amended at the discretion of the
management] pursuant to the provisions of the Mobile Home Park
Act;

- D. condemnation or change of use of the mobile home park. When the owner of a mobile home park is formally notified by an appropriate governmental agency that [his] the owner's mobile home park is the subject of a condemnation proceeding, the landlord shall, within seventeen days, notify [his tenants] the landlord's residents in writing of the terms of the condemnation notice [which he] that the landlord receives; or
- E. in those cases where the zoning law allows the landlord to change the use of [his] the land with or without obtaining the consent of the zoning authority and where such change of use would result in eviction of inhabited mobile homes, the landlord shall first give the owner of each mobile home subject to [such] the eviction a written notice of [his] the landlord's intent to evict not less than [six] twelve months prior to [such] the change of use of the land, notice to be mailed to each [tenant] resident. During the twelve-month period when the residents are preparing to find new home locations, rent shall not be increased. In cases where the landlord must request a change of use before local governmental

bodies, the landlord shall serve residents written notice of the hearing for the proposed change of use."

SECTION 5. Section 47-10-6 NMSA 1978 (being Laws 1983, Chapter 122, Section 6, as amended) is amended to read:

"47-10-6. NONPAYMENT OF RENT.--Any tenancy or other estate at will or lease in a mobile home park may be terminated upon the landlord's written notice to the [tenant] resident requiring, in the alternative, payment of rent and utility charges or the removal of the [tenant's] resident's unit from the premises, within a period of not less than [three] thirty days after the date notice is served or posted, for failure to pay rent when due. Rent shall not be increased without sixty days' written notice to the [tenant] resident."

SECTION 6. Section 47-10-9 NMSA 1978 (being Laws 1983, Chapter 122, Section 9, as amended) is amended to read:

"47-10-9. REMEDIES.--

- A. Upon granting judgment for possession by the landlord in [a forcible entry and detainer action] an action pursuant to Section 47-10-4 NMSA 1978, the court shall issue the writ of restitution as provided in Section 47-8-46 NMSA 1978.
- B. The notice of judgment shall state that at a specified time, not less than [forty-eight hours] ten days from the entry of judgment, the sheriff will return to serve a writ of restitution and superintend the peaceful and orderly removal

of the mobile home under that order of court. The notice of judgment shall also advise the mobile home owner to prepare the mobile home for removal from the premises by removing the skirting, disconnecting utilities, attaching tires and otherwise making the mobile home safe and ready for highway travel.

- C. Should the mobile home owner fail to have the mobile home safe and ready for physical removal from the premises or should inclement weather or other unforeseen problems occur at the time specified in the notice of judgment, the landlord and the sheriff may by written agreement extend the time for the execution of the writ of restitution to allow time for the landlord to arrange to have the necessary work done or to permit the sheriff's execution of the writ of restitution at a time when weather or other conditions will make removal less hazardous to the mobile home.
- D. If the mobile home is not removed from the landlord's land on behalf of the mobile home owner within the time permitted by the writ of restitution, the landlord and the sheriff shall have the right to take possession of the mobile home for the purposes of removal and storage. The liability of the landlord and the sheriff in that event shall be limited to gross negligence or willful and wanton disregard of the property rights of the mobile home owner. The responsibility to prevent freezing and to prevent wind and weather damage to

the mobile home lies exclusively with those persons who have a property interest in the mobile home.

- E. Utility charges, other charges incurred by the landlord for which the resident is liable to the landlord pursuant to the provisions of a rental agreement, including amounts awarded to the landlord in an action brought pursuant to this section, rents and reasonable removal and storage charges may be paid by any party in interest. Those charges constitute a lien that will run with the mobile home. The lien may be foreclosed in the same manner as a landlord's lien created pursuant to Section 48-3-5 [NSMA] NMSA 1978.
- F. Prior to the issuance of the writ of restitution, the court shall make a finding of fact that the mobile home is or is not subject to the security interest of a first lienholder. A written statement on the mobile home resident's owner's application for tenancy identifying a lienholder by name and address shall be prima facie evidence of the existence of the interest of the lienholder. If the application for tenancy contains no information or states that no liens exist, the landlord shall obtain a written title search statement from the motor vehicle division of the taxation and revenue department and the matter contained in that document shall be conclusive evidence of the existence or nonexistence of security interests in the mobile home.
- G. If the court finds there is a security interest .231386.3

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in favor of a first lienholder on the mobile home subject to the writ of restitution or if the mobile home has been abandoned by the resident or possession of the mobile home has been surrendered to the landlord by the resident, then, upon receipt of the writ of restitution, the landlord shall notify the first lienholder in writing that the landlord has obtained a writ of restitution for the mobile home park space where the mobile home is located or that the mobile home has been abandoned or surrendered by the resident. The notice shall be provided in accordance with the provisions of Subsection J of this section and shall:

- (1) state that an action for restitution has been filed against the resident and the effective date of a writ of restitution, if issued, or the date the mobile home was abandoned or voluntarily surrendered by the resident;
- (2) disclose the amount of the utility charges, other charges incurred by the landlord as provided in the rental agreement, rents and reasonable removal and storage charges, accruing daily rent calculated pursuant to this section and the date upon which the resident is required to make regular payments to the landlord; and
- attach a copy of the lease and the landlord's rules and regulations that apply to the resident.
- Notwithstanding the provisions of [the] Subsection E of this section, the landlord shall be entitled to

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collect from the first lienholder only the utility charges, other charges incurred by the landlord as provided in the rental agreement and rents and reasonable removal and storage charges accruing from [and after] the date the landlord provides the first lienholder the written notice prescribed under Subsection G of this section. The first lienholder shall notify the landlord within thirty days of receipt of the notice whether it intends to pay the rents and charges collectible under this subsection or remove the mobile home. The rents and charges due under this subsection shall be prorated to the date the mobile home is removed or the date a new lease with a new resident becomes effective, and the first lienholder shall not be liable for any rents and charges thereafter. The maximum rent payable to the landlord under this subsection is a daily rate equal to one-thirtieth of the then-current lot rental amount that would have been payable by the resident under the The maximum daily rent may be increased over time in accordance with the notice requirements under the applicable provisions of the Mobile Home Park Act. The first lienholder shall have thirty days from the date notice is provided by the landlord to pay the rent and charges accruing to the notice date. Thereafter, the first lienholder shall pay the rent and charges in accordance with the resident's lease. If the first lienholder desires to remove the mobile home prior to a payment due date, the first lienholder shall pay the rent and charges

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accrued to the date of removal prior to removing the mobile home.

- If the first lienholder fails to pay the rent and charges due as provided in Subsection H of this section, the landlord may give the first lienholder notice of the nonpayment in accordance with Section 47-10-6 NMSA 1978. the first lienholder fails to make payment within the time period specified in the notice, the landlord may proceed against the first lienholder by exercising the remedies granted it under the Mobile Home Park Act. The landlord may also seek any other remedies to which it is entitled by law. prevailing party in any action brought in an event to seek relief under this section, including an action for damages, is entitled to an award for reasonable attorney fees and costs incurred in the suit. Notwithstanding anything in this section to the contrary, the judgment obtained in such an action, if in favor of the landlord, constitutes a lien against the mobile home having priority over the lien of the first lienholder. The lien may be foreclosed pursuant to the procedures pertaining to a landlord's lien created in Section 48-3-5 NMSA 1978.
- J. Any notice required by this section between the first lienholder and landlord shall be in writing and either hand delivered or mailed by certified mail, return receipt requested. The notice shall be effective the date of delivery .231386.3

or mailing. If hand delivered, the notice shall be delivered at the principal office or place of business of the addressee during regular business hours to the person in charge of the office or place of business.

K. If the mobile home is sold to third parties who intend to remain in the park, they will not be allowed to reside in the mobile home unless the parties have been qualified by the landlord as residents. Until the purchasers and the landlord enter into a written lease agreement, the landlord may refuse to recognize the sale and treat any persons living in the mobile home as trespassers. The landlord shall not unreasonably withhold, condition or delay the approval of a purchaser.

L. If the first lienholder has paid in full all money due under Subsection H of this section, it [shall be] is unlawful for the landlord to refuse to allow the first lienholder to remove the mobile home. If the landlord refuses to allow the first lienholder to remove the mobile home, the landlord is liable to the first lienholder for each day the landlord unlawfully maintains possession of the mobile home, at a daily rate equal to one-thirtieth of the monthly payment required by a contract between the first lienholder and resident. In all disputes between the landlord and the first lienholder, the court shall award reasonable attorney fees and costs to the prevailing party. In the event the mobile home

has not been resold within six months of the landlord providing notice pursuant to Subsection G of this section, the landlord may request the first lienholder to remove the mobile home within thirty days of the request. Notice of the request shall be given to the first lienholder in accordance with Subsection J of this section."

SECTION 7. Section 47-10-17 NMSA 1978 (being Laws 1983, Chapter 122, Section 17, as amended) is amended to read:

"47-10-17. ALTERNATIVE DISPUTE RESOLUTION--WHEN PERMITTED--COURT ACTIONS.--

A. In any civil dispute between the management and a resident of a mobile home park arising out of the provisions of the Mobile Home Park Act, except for nonpayment of rent or utility charges or in cases in which the health or safety of other residents is in imminent danger, the controversy may be submitted to alternative dispute resolution by request of either party prior to the filing of a court action or a forcible entry and detainer action. The cost of the alternative dispute resolution services shall be divided equally among the disputing parties.

- B. The agreement, if one is reached, shall be presented to the court as a stipulation. [Either party to the dispute resolution process may terminate the process at any time without prejudice.]
- C. If either party subsequently violates the .231386.3

stipulation, the other party may apply immediately to the court for relief.

D. Any alternative dispute resolution pursuant to this section shall be performed by a professionally certified mediator approved by all disputing parties."

SECTION 8. Section 47-10-23 NMSA 1978 (being Laws 1993, Chapter 147, Section 9) is amended to read:

"47-10-23. PRIVATE REMEDIES--[GIVIL PENALTIES]
ENFORCEMENT.--

A. For each violation by a landlord of the provisions of Sections 47-10-19 through 47-10-22 NMSA 1978, a landlord [may] shall be [charged a civil penalty not to exceed five hundred dollars (\$500)] liable to the resident for two times the amount of the total monthly rent.

B. The remedies provided in this section are not exclusive and do not limit the rights or remedies that are otherwise available to a resident, [under any other law] including remedies provided pursuant to the Unfair Practices Act."

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