HOUSE JUDICIARY COMMITTEE SUBSTITUTE FOR HOUSE BILL 442

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

AN ACT

RELATING TO MOBILE HOMES; AMENDING DEFINITIONS; PROVIDING RENT STABILIZATION; CREATING THE MOBILE HOME PARKS TASK FORCE; PRESCRIBING DUTIES; REVISING AND EXPANDING PRIVATE REMEDIES; REQUIRING RESIDENTS TO PROVIDE WRITTEN NOTICE OF UTILITY INTERRUPTIONS; PRESCRIBING CIVIL PENALTIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 47-10-2 NMSA 1978 (being Laws 1983, Chapter 122, Section 2, as amended) is amended to read:

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

A. "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

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1 relating to tenancy in the park;

- B. "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, and includes a manufactured home. "Mobile home" does not include a recreational travel trailer or a recreational vehicle, as those terms are defined in Section 66-1-4.15 NMSA 1978;
- C. "mobile home park", "trailer park", [or] "park" or "manufactured home 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;
- D. "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 utility connections are provided by the mobile home park;
- E. "premises" means a mobile home park and existing
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facilities and appurtenances therein, including furniture and utilities where applicable, and grounds, areas and existing facilities held out for the use of the residents generally or the use of which is promised to the resident;

- F. "rent" means any money or other consideration to be paid to the management for the right of use, possession and occupation of the premises;
- G. "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. "resident" means [any] <u>a</u> person or family of [such] <u>the</u> person owning a mobile home that is subject to a tenancy in a mobile home park under a rental agreement;
- I. "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;
- J. "utility services" means electric, gas, water or sewer services, but does not include refuse services;
- K. "first lienholder" means a person or [his] the person's successor in interest who has a security interest in a .231608.3

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. A new section of the Mobile Home Park Act is enacted to read:

"[NEW MATERIAL] RENT STABILIZATION.--After July 1, 2025, a landlord may increase a resident's rent only once within a twelve-month period. The rent increase shall be based only on the rent in effect as of March 1, 2025. The rent from July 1, 2025 to June 30, 2026 shall not increase by more than three percent of the prior rent amount. After June 30, 2026, the total annual rent increase shall not exceed five percent except as may be based on recommendations of the mobile home parks task force or the annual rate of inflation."

SECTION 3. Section 47-10-20 NMSA 1978 (being Laws 1993, Chapter 147, Section 6, as amended) is amended to read:

"47-10-20. COST OF UTILITY SERVICES--ACCESS TO RECORDS.--

A. [Mobile home park owners] A landlord shall be responsible for maintaining all park-owned exterior utility lines from the mobile home hookups to the main lines in the park, except lines that are damaged by a resident.

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| B. When a landlord purchases utility services for |
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| residents, the charge for utility services billed to residents |
| shall not exceed the cost per unit amount paid by the landlord |
| to the suppliers of the utility services. |
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- C. A landlord shall provide a resident with reasonable access to records of meter readings, if any, taken at the resident's mobile home space.
- D. A resident shall provide written notice to a landlord of interruptions in utility service upon discovery of the interruption or as soon as is practicable."
- SECTION 4. Section 47-10-23 NMSA 1978 (being Laws 1993, Chapter 147, Section 9) is amended to read:
- "47-10-23. <u>PRIVATE REMEDIES</u>--CIVIL PENALTIES--ENFORCEMENT.--
- A. For each violation by a landlord of the provisions of [Sections 47-10-19 through 47-10-22 NMSA 1978] the Mobile Home Park Act, except for violations of Section 47-10-20 NMSA 1978, a landlord may be [charged a civil penalty not to exceed five hundred dollars (\$500)] liable for two times the amount of the total monthly rent.
- B. For each violation due to a landlord's failure to comply with Section 47-10-20 NMSA 1978 that persists for eight hours or longer, a resident may abate rent by withholding one hundred fifty dollars (\$150) per day beginning the day the violation is first observed by the resident until the violation

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is cured. If the violation lasts for more than seven days, the resident may withhold two hundred fifty dollars (\$250) per day until the violation is cured. The resident may withhold rent only after providing written notice pursuant to Subsection D of Section 47-10-20 NMSA 1978.

- $[B_{\bullet}]$ C. 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].
- D. Each violation by a landlord of Sections

 47-10-19, 47-10-21 and 47-10-22 NMSA 1978 is an unfair or

 deceptive trade practice pursuant to the Unfair Practices Act
 that is actionable pursuant to the Unfair Practices Act."
- SECTION 5. TEMPORARY PROVISION--MOBILE HOME PARKS TASK
 FORCE CREATED--DUTIES.--
- A. The "mobile home parks task force" is created and consists of representatives appointed by the superintendent of regulation and licensing, in addition to that superintendent, from the following state entities or classifications:
 - (1) the regulation and licensing department;
 - (2) the New Mexico mortgage finance authority;
 - (3) the public regulation commission;
 - (4) the governor's office of housing;
- (5) the chair of the opportunity enterprise and housing development review board or the chair's designee; .231608.3

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- the attorney general; (6)
- a landlord of a mobile home park or the (7) landlord's representative; and
- (8) a tenant of a mobile home park or the tenant's representative.
 - The mobile home parks task force shall: В.
- (1) function from the date of its appointment until July 1, 2027;
- develop recommendations for a regulatory (2) framework for mobile home park tenancies after installation of homes in a park;
- develop recommendations regarding rent increases, taking into account resident circumstances, rates of inflation and fair rates of return to landlords while maintaining park conditions and necessary improvements;
- elicit relevant testimony in forming its recommendations; and
- report findings, conclusions and (5) recommendations to the appropriate interim legislative committees that study housing and property issues. The mobile home parks task force shall provide recommendations based on its first report by December 1, 2025 and its recommendations based on its second report by September 1, 2026.
- The mobile home parks task force shall be chaired by the superintendent of regulation and licensing and .231608.3

may appoint one or more co-chairs. The task force shall meet at the call of the chair or at the request of one-third of its membership and as necessary to carry out its duties.

- D. Members of the task force shall receive no compensation, perquisite or allowance.
- E. The regulation and licensing department shall provide the necessary staff and administrative support to the mobile home parks task force.

SECTION 6. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2025.

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