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FISCAL IMPACT REPORT

SPONSOR <u>Harper/Brandt</u> SHORT TITLE <u>Homeowner Association Governing Documents</u>	LAST UPDATED _____ ORIGINAL DATE <u>2/23/23</u> BILL NUMBER <u>House Bill 482</u> ANALYST <u>Leger</u>
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REVENUE* (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25		
	Indeterminate but minimal	Indeterminate but minimal	Recurring	County Government Funds

Parentheses () indicate revenue decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Responses Received From

New Mexico Mortgage Finance Authority

No Response Received

New Mexico Municipal League

New Mexico Counties

NM County Clerks Affiliate

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of House Bill 482

House Bill 482 amends existing legislation known as the Homeowner Association Act to require amendments to governing documents and limit the time of declarant control, to require that whenever ownership of a major planning area within a master planned community is transferred to a new owner, the community documents shall, within 60 days of the transfer of ownership, be amended and filed with the office of the county clerk of the county or counties in which the major planning area is situated. Additionally, the declarant control shall terminate under certain circumstances, including 20 years after the initial filing of a homeowner association notice.

This bill does not contain an effective date and, as a result, would go into effect June 16, 2023, (90 days after the Legislature adjourns) if signed into law.

FISCAL IMPLICATIONS

Counties where the transfer of ownership occurs will have an increase in revenues from the collection of filing fees.

SIGNIFICANT ISSUES

The proposed amendment to 47-16-4 NMSA 1948, ensures the transfer of ownership within a master planned community be amended and filed with the office of the county clerk within 60 days. A timely transfer of ownership ensures accurate records are available to the public.

JL/rl/hg