

LFC Requester:

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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://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:** 03.10.2025*Check all that apply:***Bill Number:** HB 442 sOriginal ☐ Correction ☐Amendment ☐ Substitute ☒**Sponsor:** Rep. Matthew
Rep. Parajon
Rep. Roybal Caballero**Agency Name
and Code
Number:**430 – Public Regulation
Commission**Short
Title:** MOBILE HOME RENT
STABILIZATION**Person Writing** J. Bogatko**Phone:** (505)490-2696 **Email** jerri.mares@prc.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(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		\$41.22		\$41.22	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

House Judiciary Committee Substitute to HB 442

Section 1 amends Section 47-10-2, NMSA 1978, as it provides the definitions used in the Mobile Home Park Act.

Paragraph A modifies the definitions for “landlord” and “management” to mean “the owner or a person responsible for operating and managing a mobile home park . . .”

Paragraph B modifies the definition of “mobile home” by expanding it to include manufactured homes.

Paragraph C expands upon the existing definitions therein to include “manufactured home park” in addition to “mobile home park”, “trailer park”, and “park”. It also makes the following change regarding agency: “the owner’s agents”. It also further clarifies the meaning of “mobile home park” such that it “does not include mobile home subdivisions.”

Paragraph D specifies that “mobile home space”, “space”, “mobile home lot” or “lot” means a parcel of land within a mobile home park designated by management to accommodate one mobile home and its accessory buildings and to which sewer and utility connections are provided by the mobile home park.

Paragraph E states that “premises” means a mobile home park and existing facilities, including furniture and utilities where applicable, and grounds, areas and existing facilities held out for the use of the residents generally.

Paragraph F defines “rent” to mean any money or other consideration to be paid to management for the right to use, possess and occupy the premises.

Paragraph G provides that “rental agreement” means a written agreement, including conditions implied by law, between the management and the resident establishing the terms of the conditions of tenancy and that a lease is a rental agreement.

Paragraph H modifies the definition of “resident” to mean “a person or family of the person owning a mobile home that is subject to a tenancy in a mobile home park under a rental agreement”.

Paragraph I addresses “tenancy” and states that it 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 structures for human habitation, including the use of services and facilities at the park.

Paragraph K modifies the definition of “first lienholder” to mean “a person or the person’s

successor in interest who has a security interest in a mobile home . . .”

Paragraph L specifies “abandoned” to mean 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 brings forth NEW MATERIAL to be included in the Mobile Home Park Act addressed to “RENT FAIRNESS”, which provides that a landlord may increase a resident’s rent only once within a 12-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 3 percent of the prior rent amount. After June 30, 2026, the total annual rent increase shall not exceed 5 percent except as may be based on recommendations of the mobile home parks work group or the annual rate of inflation.

Section 3 amends Section 47-10-20, NMSA 1978, as follows:

Paragraph A makes the following changes: “A landlord shall be responsible for maintaining all park-owned exterior utility lines . . .”

Paragraph B provides that when a landlord purchases utility services for 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.

Paragraph C states that a landlord shall provide a resident with reasonable access to records of meter readings, if any, taken at the resident’s mobile home space.

Paragraph D deploys a new provision as follows: “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 is addressed to Section 47-10-23 and its “CIVIL PENALTIES” regime by addition of “PRIVATE REMEDIES” and “ENFORCEMENT” considerations.

Paragraph A deploys changes as follows: “For each violation by a landlord of the provisions of the Mobile Home Park Act, except for violations of Section 47-10-20 NMSA 1978, a landlord may be liable for two times the amount of the total monthly rent.”

Paragraph B provides that for each violation due to a landlord’s failure to comply with Section 47-10-20 NMSA 1978 that persists for 8 hours or longer, a resident may abate rent by withholding \$150 per day beginning the day the violation is first observed until the violation is cured. If the violation lasts more than 7 days then the amount that may be withheld goes up to \$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.

Paragraph C is a re-lettering and modification of former Paragraph B and it provides that the contemplated remedies discussed above are not exclusive.

Paragraph D provides that 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.

Section 5 is entitled “TEMPORARY PROVISION – MOBILE HOME PARKS WORK GROUP CREATED – DUTIES”.

Paragraph A of Section 5 establishes a “mobile home parks work group” consisting of representatives appointed by the superintendent of regulation and licensing 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;
- (6) the attorney general;
- (7) a landlord of a mobile home park or the landlord’s representative;
- (8) a resident of a mobile home park or the resident’s representative.

Paragraph B establishes that the mobile home parks work group will: (1) function from the date of its appointment until July 1, 2027; (2) develop recommendations for a regulatory framework for mobile home park tenancies after installation of homes in a park; (3) develop recommendations regarding rent increases, taking into account relevant resident circumstances, rates of inflation and fair rates of return to landlords while maintaining safe park conditions and necessary improvements; (4) elicit relevant testimony in forming its recommendations; and report findings, conclusions and recommendations to the appropriate interim legislative committees that study housing and property issues – with the first report due by December 1, 2025 and the second by September 1, 2026.

Paragraph C provides that the mobile home parks work group shall be chaired by the superintendent of regulation and licensing with one or more co-chairs. The work group 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.

Paragraph D states that members of the work group shall receive no compensation, perquisite or allowance.

Paragraph E provides that the regulation and licensing department shall provide the necessary staff and administrative support to the mobile home parks work group.

Section 6 gives the effective date for this legislation as July 1, 2025.

FISCAL IMPLICATIONS

HB 442 would have an additional financial impact on the PRC for the following additional resources: 1/8 Engineer Manager III (\$23,000) and 1/8 Legal attorney (\$18,220). FY26 total of \$41,220.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

HB 442 will require the public regulation commission to assign one or more staff members to the task of developing the specified recommendations required of the mobile home parks work group.

ADMINISTRATIVE IMPLICATIONS

HB 442 will require the public regulation commission to assign one or more staff members to the task of developing the specified recommendations required of the mobile home parks work group.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to HM 35 MOBILE HOME PARK REGULATORY FRAMEWORK

Conflicts with HB 418 MOBILE HOME RENTAL AGREEMENTS AND LANDLORDS

HB 426 MOBILE HOME PARK SALE NOTICES also amends the Mobile Home Park Act

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo.

AMENDMENTS

None.