

New Mexico 2023 End of Legislative Session Report

CAI's members, partners, and staff actively advocated on behalf of approximately <u>130,000 New Mexicans living in 51,000 homes in nearly 2,000 community associations across the Land of Enchantment during the 2023 state legislative session. Below is a brief overview from the 2023 New Mexico State Legislature:</u>

SB 50 Right to Repair Act- This bill creates a new process by which sellers and purchasers can settle construction defects which are identified during the purchasing process, without triggering the notice requirements currently in law, without having to result to formal arbitration or litigation. *Please be aware that this bill only applies to new construction*.

Under SB 50, purchasers are entitled to send a written notice detailing each defect, and sellers are then able to send notice to the construction professional which they believe is responsible for each alleged defect. Sellers are then able to conduct an inspection with a construction professional, and purchasers are required to give sellers an opportunity to correct the defect. Corrections can include repair/replacement, monetary compensation, or any other remedy detailed in the construction contract.

Status: Signed by Governor Grisham 4/7/23. Effective 7/1/23.

SB 405 Food Accessibility Act- Among changes to other laws governing agriculture, this bill would have prohibited homeowners associations from adopting bylaws which prohibit lot owners from keeping six or fewer chickens or ducks. CAI worked with advocates on the ground to oppose this bill, and protect the ability of associations to effectively self-regulate.

Status: Successfully DIED in Senate.

HB 482 Homeowner Association Governing Documents- This bill would have required new documents be filed within sixty days of new ownership of a major planning area within a master planned community. Additionally, this bill would have extended the period of declarant control to a full twenty years, if no existing termination thresholds were triggered. CAI worked with advocates on the ground to oppose this bill.

Status: Successfully DIED in Committee.

SB 321 Homeowner Association Board Elections- This bill would have modified existing law to apply current declarant control period rules to master planned communities. It also would have created a new rule that beginning in 2024, once 75% of lots had been sold in a particular development, the association would have had 60 days to hold new elections so that at least 75%



of association board positions were elected by owners. CAI worked with advocates on the ground to oppose this bill.

Status: Successfully DIED in Senate.

HB 425 Additional Housing Dwelling Units- This bill would have voided all existing community association covenants which prohibited the construction of accessory dwelling units on single-family lots. CAI worked with advocates on the ground to oppose this bill.

Status: Successfully DIED in Committee.

SB 286- Discriminatory Restrictive Covenants- This bill would have allowed individuals to rerecord deeds which contains an unlawful restrictive covenant and would have further prohibited the filing of new deeds with such covenants.

Status: DIED in Senate.

For more information on CAI's activities and community association legislation in New Mexico, visit https://www.caionline.org/Advocacy/LegalArena/Laws/Pages/NM.aspx.

Your Assistance is Needed

CAI relies on outside resources such as professional lobbying as a vital and integral part of the legislative process. The volunteers who advocate – including homeowner leaders, community managers, and business partners – greatly rely on contributions from management companies and business partners in addition to individuals to continue their important efforts in the legislature. CAI needs your financial support to bolster their advocacy activities in 2023 and beyond. We encourage donations from New Mexico community associations, business partners, and individuals. Please visit www.caionline.org/lacdonate/ and donate to "Issues Advancement Fund" to support our continued efforts.

We need YOUR voice! <u>Sign up today</u> to become a CAI Advocacy Ambassador and help shape legislation in your state!

New Mexico Contact Information

- Contact CAI's Government and Public Affairs Team at government@caionline.org
- To find the chapter nearest you, please call (888) 224-4321.