

LFC Requester:

Felix Chavez

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/21/2025

Check all that apply:

Bill Number: HB 583

Original x Correction
Amendment Substitute

Sponsor: Rep. John Block

Agency Name and Code Number: 305 – New Mexico Department of Justice

Person Writing

Short Title: REDEMPTION RIGHT SALE OR TRANSFER

Analysis: Mari Kempton

Phone: 505-537-7676

Email: legisfir@nmag.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						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A.

Duplicates/Relates to Appropriation in the General Appropriation Act: N/A.

SECTION III: NARRATIVE

This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator's request. The analysis does not represent any official policy or legal position of the NM Department of Justice.

BILL SUMMARY

Synopsis: This bill would redefine who has the legal right of redemption of property following a foreclosure sale to include certain heirs and family members of the former owner and nonprofit housing organizations. It would also prohibit transferring the right to third parties by either the former owner or any junior lienholders.

Section 1 (A) would amend NMSA 39-5-18 to expand the parties who have the right to redeem a property (re-purchase it following a foreclosure sale within nine months of the sale) to include the former owner's relatives or heirs within three degrees of consanguinity and "a nonprofit housing organization."

Section 1 (A)(3) would remove language setting the order of priority for redemption of junior lienholders and prohibit junior lienholders from transferring their redemption rights to third parties.

Section 1 (Former Subsection D) proposes to remove the paragraph defining "owner," "junior mortgagee," "junior lienholder" and "purchaser" to include their representatives, heirs, successors and assignees (since the revised qualifying parties are identified in Section 1 (A) and the right cannot be assigned).

FISCAL IMPLICATIONS

N/A.

SIGNIFICANT ISSUES

N/A.

PERFORMANCE IMPLICATIONS

N/A.

ADMINISTRATIVE IMPLICATIONS

N/A.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A.

TECHNICAL ISSUES

N/A.

OTHER SUBSTANTIVE ISSUES

N/A.

ALTERNATIVES

N/A.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

N/A.