

LFC Requester:	Felix Chavez
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

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: 2/24/2025 *Check all that apply:*
Bill Number: HB 583 Original Correction
 Amendment Substitute

Sponsor: John Block **Agency Name** 992 – New Mexico Mortgage
Short Redemption Right Sale or **and Code** Finance Authority
Title: Transfer **Number:** (Housing New Mexico | MFA)
Person Writing Robyn Powell
Phone: 505-767-2271 **Email** rpowell@housingnm.org

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
NA	NA	NA	NA

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
NA	NA	NA	NA	NA

(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	NA	NA	NA	NA	NA	NA

(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

BILL SUMMARY

House Bill 583 proposes to amend New Mexico State Statute Section 39-5-18 Redemption of real property sold under judgment or decree of foreclosure; notice and hearing; redemption amount; priority of redemption rights by:

- Expanding the redemption rights after a sale of real estate due to foreclosure to not only include the homeowner, but also the defendant's heirs, family members within three degrees of consanguinity, nonprofit housing organizations, or a junior mortgagee/lienholders.
- Restricting junior mortgagees/lienholders to pursue redemption rights to protect a secured financial interest; and cannot transfer, sell, or assign those redemption rights to a third party.

FISCAL IMPLICATIONS

No fiscal implication to Housing New Mexico | MFA.

SIGNIFICANT ISSUES

House Bill 583 proposes expanding redemption rights for family members and secure the financial interest of mortgagees, however this bill does not provide financial assistance or other avenues for homeowners to afford redemption. This bill may help homeowners, and their family members retain their property after foreclosure while preventing potential predatory practices by third parties. In addition, this bill allows nonprofit to participate in the redemption process which may further affordable housing initiatives. However, junior mortgagees or lienholders may lose their ability recover debts as a result of this bill.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS