

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 03/19/09

SPONSOR Sanchez, M. LAST UPDATED _____ HB _____

SHORT TITLE Study Residential Foreclosure Procedures SM 100

ANALYST Wilson

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

Senate Memorial 100 requests the appropriate interim legislative committee to study issues related to residential mortgage foreclosure procedures in New Mexico.

The memorial further requests the appropriate interim legislative committee to consider and endorse legislation that provides protection to homeowners involved in mortgage foreclosure proceedings.

In addition, copies of this memorial should be transmitted to the co-chairs of the New Mexico Legislative Council Service (LCS).

FISCAL IMPLICATIONS

There is no fiscal impact.

SIGNIFICANT ISSUES

It is the public policy of New Mexico that homeowners should be given reasonable notice of the fact of and basis for an alleged default on their mortgage and the opportunity to pay their home mortgages if they are deficient.

Senate Memorial 100 – Page 2

Lenders will be benefited when residential mortgage debtors cure their defaults and return defaulted residential mortgage loans to performing status.

Homeowners and lenders will be benefited when homeowners can participate in loss mitigation, loan modification or other alternatives prior to a mortgage foreclosure and loss of a home.

It is the public policy of the State of New Mexico to ensure that alternative dispute resolution procedures be available to homeowners facing mortgage foreclosure proceedings.

It is the public policy of the state of New Mexico to promote the strength of the housing market, protect home ownership and provide for fair and reasonable procedures prior to the institution of mortgage foreclosure proceedings.

ADMINISTRATIVE IMPLICATIONS

The LCS should be able to handle staffing the appropriate legislative committee as part of its ongoing responsibilities.

POSSIBLE QUESTIONS

Which is the appropriate interim legislative committee?

DW/svb