

Litigation Update

*Ruben A. Valerio, et al. v. Cristobal de la Serna
Land Grant*

A-1-CA-42895

Guadalupe Hidalgo Treaty Division Presentation to
Interim Land Grant Committee of the New Mexico
Legislature

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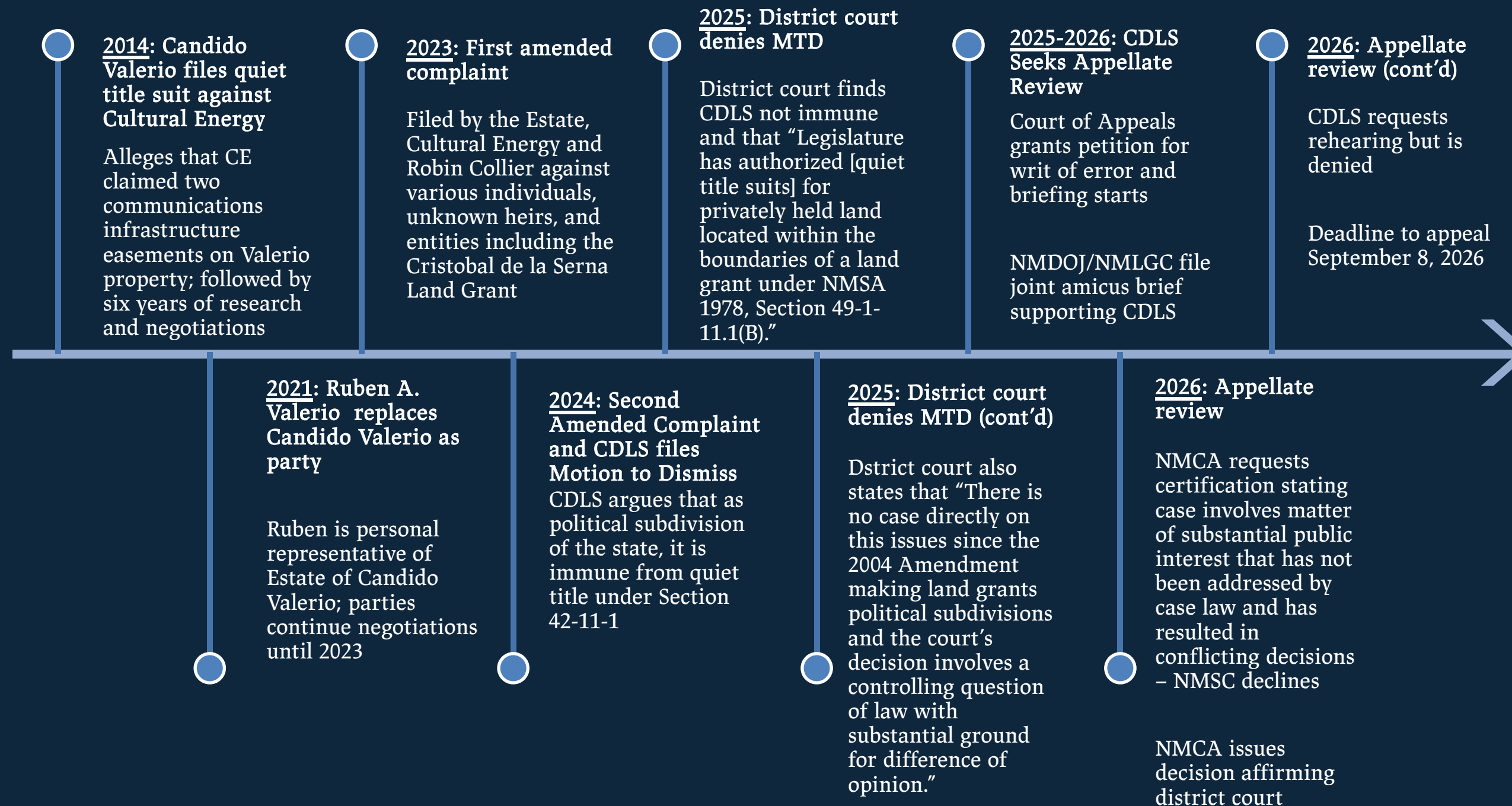
August 26, 2026



Outline of Presentation

- Brief timeline and procedural history of case
- Issue on appeal in the Court of Appeals
- Summary of decision and core principles
- Appeals process
- Questions

Background & Procedural History



Issue

Whether Cristobal de la Serna Land Grant, as a political subdivision of the state, is immune from quiet title suit.

● Section 42-11-1 grants immunity from suit to “[t]he state of New Mexico and its *political subdivisions*” for cases “involving a claim of title to or interest in real property except as specifically authorized by law.”

● Section 49-1-1 states that “[a]ll land grants-mercedes in the state or land grants-mercedes described in Section 49-1-2...shall be managed, controlled and governed by their bylaws, by the Treaty of Guadalupe Hidalgo and as provided in [the Land Grants Act] as *political subdivisions* of the state.”

Court's answer

Issue: Whether CDLS, as a political subdivision, is immune from quiet title suit.

- “[W]e conclude that *the Legislature did not intend* for the reference to political subdivisions in Section 49-1-1 to bring land grants-mercedes within the immunity afforded by Section 42-11-1[.]”

- “[W]e decline to rely solely on the shared language between [the statutes] and conclude that based on the nature of land grants-mercedes, the purpose of the Land Grants Act, as well as its other provisions, *the Legislature did not intend* for its 2004 amendment to Section 49-1-1 to extend Section 42-11-1 immunity to land grants-mercedes for suits to quiet title.”

Core Principles of Case

“Our purpose in statutory construction is always *‘to try to determine and give effect to the Legislature’s intent.’*”

Land grants are not poli-subs
“in every respect”

Land grants are “a distinct type of political subdivision”

The Act limits political subdivision status to matters of *“internal governance and management”* and not to private property disputes



Not poli-subbs *in all respects*

- “We disagree with the Land Grant that the plain language of Section 49-1-1 unambiguously ‘designate[s]’ land grants-mercedes as political subdivisions in every respect.”
- Court *looks at the particular placement* of the term “as political subdivisions” within the text of Section 49-1-1.
- Because it follows “manage[ment], contro[l] and govern[ance]” court held that “[t]he *internal management, control, and governance of a land grant-merced are matters apart from whether a land grant-merced is subject to suit or is to be considered, in all respects, a political subdivision.*”

Land grants are “a distinct type of political subdivision”

- Suggests that the sole reason the Land Grants Act was passed was to create a board of trustees that would manage common lands.
- Land grants are quasi-municipal corporations “with both governmental and business characteristics.”
- “Given the *dual role* of a land grant-merced, *we hesitate to assign all of the attributes of a political subdivision to a land grant-merced*, based entirely on language shared between disparate statutes and *absent other indication that it was the Legislature’s intent to do so.*”

Land grants are political subdivisions w/r/t *internal governance* but not w/r/t *private property disputes*

- “Considered as a whole, the Land Grant Act contemplates that land grants-mercedes are *quasi-municipal entities that manage private property*, which may become involved in *private property disputes*.”
- “Our courts have viewed land grants-mercedes as quasi-municipal corporations...and generally, immunity for quasi-municipal corporations depends on the particular function being performed.”
- “[A]ny quiet title action involving the common lands of a land grant-merced does not involve a governmental function but instead is a private property dispute.”

Court's holding

- “While Section 42-11-1 grants immunity to ‘political subdivisions’ from suit to quiet title, *Section 49-1-1 does not declare that land grants-mercedes are political subdivisions in all respects* and instead directs that land grants-mercedes should be ‘managed, controlled and governed....as political subdivisions.’ Considering the language and purpose of the Land Grants Act, as well as the nature of land grants-mercedes and common lands, *we conclude that the Legislature did not intend to provide blanket immunity to land grants-mercedes for quiet title actions.*”

Appeals process

- Under Rule 12-502, CDLS may file with NMSC a petition for writ of certiorari requesting review of Court of Appeals decision – due 30 days after denial of CDLS motion for rehearing, or September 8, 2026
- Interested parties may request leave to file amicus briefs supporting or opposing the petition pursuant to Rule 12-320
- If petition is granted, briefing on the merits will commence and another opportunity for parties to request leave to file amicus briefs

Questions

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