

1 SENATE BILL 216

2 **50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012**

3 INTRODUCED BY

4 Michael S. Sanchez

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10 AN ACT

11 RELATING TO INTEREST; LOWERING THE RATE OF INTEREST TO BE
12 ALLOWED ON JUDGMENTS AND DECREES.

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14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

15 SECTION 1. Section 56-8-4 NMSA 1978 (being Laws 1851-
16 1852, p. 255, as amended) is amended to read:

17 "56-8-4. JUDGMENTS AND DECREES--BASIS OF COMPUTING
18 INTEREST.--

19 A. Interest shall be allowed on judgments and
20 decrees for the payment of money from entry and shall be
21 calculated at [~~the rate of eight and three-fourths percent per~~
22 ~~year~~] a rate equal to the prime rate as published in the *Wall*
23 *Street Journal* on the date of the entry of the judgment,
24 unless:

25 (1) the judgment is rendered on a written

.188707.1

underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 instrument having a different rate of interest, in which case
2 interest shall be computed at a rate no higher than specified
3 in the instrument; or

4 (2) the judgment is based on tortious conduct,
5 bad faith or intentional or willful acts, in which case
6 interest shall be computed at the rate of fifteen percent.

7 B. Unless the judgment is based on unpaid child
8 support, the court in its discretion may allow interest of up
9 to ten percent from the date the complaint is served upon the
10 defendant after considering, among other things:

11 (1) if the plaintiff was the cause of
12 unreasonable delay in the adjudication of the plaintiff's
13 claims; and

14 (2) if the defendant had previously made a
15 reasonable and timely offer of settlement to the plaintiff.

16 C. Nothing contained in this section shall affect
17 the award of interest or the time from which interest is
18 computed as otherwise permitted by statute or common law.

19 D. The state and its political subdivisions are
20 exempt from the provisions of this section except as
21 otherwise provided by statute or common law."