

AN ACT

RELATING TO MOTOR VEHICLES; PROVIDING THAT ADJUSTMENT OF THE LEASE PRICE FOR A MOTOR VEHICLE OR TRAILER DOES NOT CREATE A SALE OR SECURITY INTEREST; ENACTING A NEW SECTION OF CHAPTER 66, ARTICLE 3 NMSA 1978.

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

Section 1. A new section of Chapter 66, Article 3 NMSA 1978 is enacted to read:

"LEASE AGREEMENT FOR A MOTOR VEHICLE OR TRAILER--ADJUSTMENT OF THE LEASE PRICE DOES NOT CREATE A SALE OR SECURITY INTEREST.-- Notwithstanding any other provision of law, a lease agreement for a motor vehicle or trailer does not create a sale or a security interest merely because the lease agreement provides that the lease price for the motor vehicle or trailer may be adjusted upward or downward by reference to the amount realized by the lessor upon the sale or other disposition of the motor vehicle or trailer."

Section 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, ~~2003~~ 2004.