

AN ACT

RELATING TO JUDICIAL SALES; CHANGING THE PERIOD IN WHICH THE STATE MAY EXERCISE A RIGHT OF REDEMPTION AFTER THE SALE OF REAL PROPERTY UPON WHICH THE STATE HAS A LIEN OR ENCUMBRANCE.

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

SECTION 1. Section 42-6-14 NMSA 1978 (being Laws 1947, Chapter 150, Section 3) is amended to read:

"42-6-14. JUDICIAL SALE--ALTERNATIVE REMEDIES.--

A. Except as provided in Subsection B or C of this section, a judicial sale made in pursuance of a judgment in a suit in which the state is a party, to quiet title to or to foreclose a mortgage or other lien upon real estate or personal property, shall have the same effect respecting the discharge of the property from liens and encumbrances held by the state as may be provided with respect to such matters by law as to all other persons.

B. A sale to satisfy a lien inferior to one of the state shall be made subject to and without disturbing the lien of the state, unless the state consents that the property may be sold free of its mortgage or lien and the proceeds divided as the parties may be entitled.

C. Where a sale of real estate is made to satisfy a lien prior to that of the state, the state shall have one month from the date of sale within which to redeem, but the

district court, upon a showing of good cause that redemption will be effected, may increase the redemption period to not more than nine months.

D. In any case where the debt owing the state is due, the state may ask, by way of affirmative relief, for the foreclosure of its own lien or mortgage.

E. In any case where property is sold to satisfy a first mortgage or first lien held by the state, the state may bid at the sale a sum not exceeding the amount of its claim with expenses of sale, as may be directed by the head of the agency of the state that has charge of the administration of the laws in respect of which the claim of the state arises."