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HOUSE JOINT RESOLUTION 10  
**51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014**  
INTRODUCED BY  
Gail Chasey

A JOINT RESOLUTION  
PROPOSING AN AMENDMENT TO ARTICLE 20 OF THE CONSTITUTION OF NEW  
MEXICO TO REDUCE THE MAXIMUM LAWFUL ANNUAL INTEREST RATE  
ALLOWED FOR THE EXTENSION OF CREDIT.

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

SECTION 1. It is proposed to amend Article 20 of the  
constitution of New Mexico by adding a new section to read:

"A. Except as provided for in this section, the  
maximum lawful rate of interest charged or received for the  
extension of credit shall not exceed thirty-six percent per  
year.

B. The calculation of interest shall include any  
periodic or nonperiodic interest, any periodic or nonperiodic  
finance charge, any ancillary products or services and any  
other charges or fees incident to the extension of credit.

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1 C. Any contract for the extension of credit entered  
2 into after January 1, 2015 having a rate of interest in excess  
3 of the maximum lawful rate shall be void as to principal and  
4 interest.

5 D. The limitation on interest for the extension of  
6 credit shall not apply to any federally insured depository  
7 institution or government-issued bonds.

8 E. In the event the United States prime lending  
9 rate exceeds ten percent, the maximum lawful rate of interest  
10 charged or received may exceed thirty-six percent per year but  
11 shall not exceed thirty percentage points in excess of the  
12 United States prime lending rate."

13 SECTION 2. The amendment proposed by this resolution  
14 shall be submitted to the people for their approval or  
15 rejection at the next general election or at any special  
16 election prior to that date that may be called for that  
17 purpose.