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Supreme Court stops consumer debt collection orders to help New Mexicans during public health emergency

SANTA FE – The state Supreme Court today provided temporary protections for New Mexicans in consumer debt cases from having wages withheld and some of their assets taken to repay creditors during the current public health emergency and economic downturn.

The Court suspended the issuance of new writs of garnishment and writs of execution for consumer debt collection in district, magistrate and metropolitan court cases effective June 8. The suspension will remain in effect until a further order of the state's highest court.

The Court said in today's order it acted "in response to the extraordinary circumstances presented by the current public health emergency," and balanced the interests of creditors trying to collect money owed to them while "protecting the due process rights of New Mexicans to claim exemptions and protect their assets from garnishment and execution as provided by law."

Creditors, after obtaining a judgment against a person owing them money, can seek debt collection orders from a court for garnishing wages and bank accounts and seizing and selling some assets, including cars, jewelry and certain other property.

Today's order does not apply to child support arrearages.

In its order, the Supreme Court noted recent increases in the state's unemployment rate and stated that the "current public health emergency has had significant impact on New Mexicans – including loss of income and wages – thereby putting enormous financial strain on New Mexico communities." The COVID-19 pandemic also "has impacted the ability of many New Mexicans to appear in court, obtain representation, and avail themselves of self-help resources to claim exemptions from garnishment and execution," the Court's order stated.

Chief Justice Judith K. Nakamura dissented from the Court's order.

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