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HOUSE BILL 369

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

Joshua N. Hernandez and Antonio Maestas

AN ACT

RELATING TO INSURANCE; MODIFYING CERTAIN TIME FRAMES AND FEES FOR LICENSING.

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

SECTION 1. Section 59A-6-1 NMSA 1978 (being Laws 1984, Chapter 127, Section 101, as amended) is amended to read:

"59A-6-1. FEE SCHEDULE.--The superintendent shall collect the following fees:

A. insurer's certificate of authority -

(1) filing application for certificate of authority, and issuance of certificate of authority, including filing of all charter documents, financial statements, service of process, power of attorney, examination reports and other documents included with and part of the application

. \$1,000.00

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- 1 (2) annual continuation of certificate of
- 2 authority, per kind of insurance. 200.00
- 3 (3) reinstatement of certificate of authority
- 4 (Section 59A-5-23 NMSA 1978). 150.00
- 5 (4) amendment to certificate of
- 6 authority 200.00
- 7 B. charter documents - filing amendment to any
- 8 charter document (as defined in Section 59A-5-3
- 9 NMSA 1978). 10.00
- 10 C. annual statement of insurer, filing. . . 200.00
- 11 D. service of process, acceptance by superintendent
- 12 and issuance of certificate of service. 10.00
- 13 E. producer licenses and appointments -
- 14 (1) filing application for original producer
- 15 license and issuance of license 30.00
- 16 (2) biennial continuation of license . . 60.00
- 17 (3) appointment of producer -
- 18 (a) filing appointment, per kind of
- 19 insurance, each insurer 20.00
- 20 (b) annual continuation of appointment,
- 21 per kind of insurance, each insurer 20.00
- 22 (4) temporary license filing
- 23 application 30.00
- 24 F. agency business entity license and
- 25 affiliations -

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1 (1) filing application for original agency
2 business entity license and issuance of license 30.00
3 (2) biennial continuation of license 60.00
4 (3) filing of individual affiliation 20.00
5 (4) annual continuation of individual
6 affiliation 20.00

7 G. insurance vending machine license -

8 (1) filing application for original license
9 and issuance of license, each machine 25.00
10 (2) biennial continuation of license, each
11 machine 50.00

12 H. examination for license, application for

13 examination conducted directly by the superintendent, each
14 grouping of kinds of insurance to be covered by the examination
15 as provided by the superintendent's rules, and payable as to
16 each instance of examination. 75.00

17 I. surplus lines insurer - filing application for

18 qualification as eligible surplus lines insurer 1,000.00

19 J. surplus lines broker license -

20 (1) filing application for original license
21 and issuance of license 100.00
22 (2) biennial continuation of license
23 200.00

24 K. surplus lines brokerage business entity license

25 and affiliations -

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1 (1) filing application for original surplus
2 lines brokerage business entity license and issuance of license
3 100.00

4 (2) filing of individual affiliation . . 20.00

5 (3) annual continuation of individual
6 affiliation 20.00

7 L. adjuster license -

8 (1) filing application for original license
9 and issuance of license 30.00

10 (2) biennial continuation of
11 license 60.00

12 M. insurance consultant license -

13 (1) filing application for original license
14 and issuance of license 50.00

15 (2) application examination 75.00

16 (3) biennial continuation of license . 100.00

17 N. viatical settlements license -

18 (1) providers -

19 (a) filing application for original
20 license and issuance of license 1,000.00

21 (b) biennial continuation of
22 license 400.00

23 (2) brokers -

24 (a) filing application for original
25 license and issuance of license 100.00

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| 1 | (b) biennial continuation of | |
| 2 | license | 200.00 |
| 3 | (3) brokerages - | |
| 4 | (a) filing application for original | |
| 5 | business entity license and issuance of license | 100.00 |
| 6 | (b) biennial continuation of | |
| 7 | license | 200.00 |
| 8 | (c) filing of individual | |
| 9 | affiliation | 20.00 |
| 10 | (d) annual continuation of individual | |
| 11 | affiliation | 20.00 |
| 12 | 0. advisory organization license - | |
| 13 | (1) filing application for license and | |
| 14 | issuance of license | 100.00 |
| 15 | (2) annual continuation of | |
| 16 | license | 100.00 |
| 17 | P. nonprofit health care plans - | |
| 18 | (1) filing application for preliminary permit | |
| 19 | and issuance of permit. | 100.00 |
| 20 | (2) certificate of authority, application, | |
| 21 | issuance, continuation, reinstatement, charter documents - same | |
| 22 | as for insurers | |
| 23 | (3) annual statement, filing | 200.00 |
| 24 | Q. prepaid dental plans - | |
| 25 | (1) certificate of authority, application, | |

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1 issuance, continuation, reinstatement, charter documents - same
2 as for insurers

3 (2) annual report, filing 200.00

4 R. prearranged funeral insurance - application for
5 certificate of authority, issuance, continuation,
6 reinstatement, charter documents, filing annual statement,
7 licensing of sales representatives - same as for insurers

8 S. premium finance companies -

9 (1) filing application for original license
10 and issuance of license 100.00

11 (2) annual renewal of license 100.00

12 T. motor clubs -

13 (1) certificate of authority -

14 (a) filing application for original
15 certificate of authority and issuance of certificate of
16 authority 200.00

17 (b) annual continuation of certificate
18 of authority. 100.00

19 (2) sales representatives -

20 (a) filing application for registration
21 or license and issuance of registration or license, each
22 representative. 30.00

23 (b) biennial continuation of
24 registration or license, each representative. 60.00

25 U. bail bondsmen -

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1 (1) filing application for original license as
2 bail bondsman or solicitor, and issuance of license
3 30.00

4 (2) examination for license, each instance of
5 examination 50.00

6 (3) biennial continuation of
7 license 60.00

8 V. required filing of forms or rates - by all lines
9 of business other than property or casualty -

10 (1) rates 50.00

11 (2) major form - each new policy and each
12 package submission, which can include multiple policy forms,
13 application forms, rider forms, endorsement forms or amendment
14 forms 30.00

15 (3) incidental forms and rates - forms filed
16 for informational purposes; riders, applications, endorsements
17 and amendments filed individually; rate service organization
18 reference filings; rates filed for informational
19 purposes. 15.00

20 W. health maintenance organizations -

21 (1) filing an application for a certificate of
22 authority 1,000.00

23 (2) annual continuation of certificate of
24 authority 200.00

25 (3) filing each annual report 200.00

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- 1 (4) filing an amendment to organizational
- 2 documents requiring approval. 200.00
- 3 (5) filing informational amendments . . 50.00
- 4 X. purchasing groups and foreign risk retention
- 5 groups -
- 6 (1) original registration 500.00
- 7 (2) annual continuation of
- 8 registration. 200.00
- 9 (3) producer fees - same as for authorized
- 10 insurers
- 11 Y. third party administrators -
- 12 (1) filing application for original business
- 13 entity insurance administrator license. 100.00
- 14 (2) biennial continuation or renewal
- 15 of license. 200.00
- 16 (3) examination for license, each
- 17 examination 75.00
- 18 (4) filing of annual report 50.00
- 19 Z. miscellaneous fees -
- 20 (1) duplicate license 30.00
- 21 (2) name change 30.00
- 22 (3) for each signature and seal of
- 23 superintendent affixed to any instrument. 10.00
- 24 AA. pharmacy benefits managers -
- 25 (1) filing an application for a

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| 1 | license | 1,000.00 |
| 2 | (2) annual continuation of license, each | |
| 3 | year continued. | 500.00 |
| 4 | (3) filing each annual report | 200.00 |
| 5 | (4) filing an amendment to organizational | |
| 6 | documents requiring approval. | 200.00 |
| 7 | (5) filing informational amendments | 100.00 |
| 8 | BB. independent review organizations | |
| 9 | (1) filing an application for a | |
| 10 | license | 250.00 |
| 11 | (2) biennial continuation of license | 100.00 |
| 12 | CC. continuing education providers | |
| 13 | (1) filing an application for a course of | |
| 14 | instruction | 80.00 |
| 15 | (2) biennial continuation of course of | |
| 16 | instruction | 40.00 |
| 17 | <u>DD. multiple employer welfare arrangements,</u> | |
| 18 | <u>employee leasing contractors and professional employer</u> | |
| 19 | <u>organizations</u> | |
| 20 | <u>(1) initial registration</u> | <u>1,000.00</u> |
| 21 | <u>(2) annual renewal fee</u> | <u>200.00.</u> |

22 An insurer shall be subject to additional fees or charges,
23 termed retaliatory or reciprocal requirements, whenever form or
24 rate-filing fees in excess of those imposed by state law are
25 charged to insurers in New Mexico doing business in another

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1 state or whenever a condition precedent to the right to issue
2 policies in another state is imposed by the laws of that state
3 over and above the conditions imposed upon insurers by the laws
4 of New Mexico; in those cases, the same form or rate-filing
5 fees may be imposed upon an insurer from another state
6 transacting or applying to transact business in New Mexico so
7 long as the higher fees remain in force in the other state. If
8 an insurer does not comply with the additional retaliatory or
9 reciprocal requirement charges imposed under this subsection,
10 the superintendent may refuse to grant or may withdraw approval
11 of the tendered form or rate filing. All fees are earned when
12 paid and are not refundable."

13 SECTION 2. Section 59A-11-10 NMSA 1978 (being Laws 1984,
14 Chapter 127, Section 189, as amended) is amended to read:

15 "59A-11-10. CONTINUATION, EXPIRATION OF LICENSE.--

16 A. The term of the license shall be perpetual,
17 contingent upon payment of fees and completion of any
18 continuing education requirements.

19 B. Individual licenses shall renew and continue on
20 a biennial basis on the last day of the licensee's month of
21 birth. Business entity licenses shall renew and continue on a
22 biennial basis on March 1 of the biennial year; except for
23 those types of business entity licenses that, pursuant to
24 Section 59A-6-1 NMSA 1978, renew and continue on an annual
25 basis, in which case those licenses shall renew and continue on

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1 March 1 of every year. Business entity affiliations shall
2 renew and continue on an annual basis on March 1 of every year.

3 C. Any license referred to in this section that is
4 not so continued shall be deemed to have terminated as of
5 midnight on the last day of the licensee's month of birth if an
6 individual license and as of midnight of March 1 if a business
7 entity license; except that the superintendent may effectuate a
8 request for continuation received within ~~[thirty days]~~ one year
9 thereafter if accompanied by a continuation fee equal to one
10 hundred fifty percent of the continuation fee otherwise
11 required.

12 D. If the superintendent has reason to believe that
13 the competence of any licensee, or individual designated to
14 exercise license powers, is questionable, the superintendent
15 may require as condition of continuation of the license or
16 license powers that the licensee or individual take and pass a
17 written examination as required under the Insurance Code of new
18 individual applicants for the same license.

19 E. This section shall not apply as to temporary
20 licenses, which shall be for such duration and subject to
21 extension as provided in the respective sections of the
22 Insurance Code by which such licenses are authorized.

23 F. All licenses and appointments of an insurer or
24 other principal that ceases to be authorized to transact
25 business in this state shall automatically terminate without

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1 notice [~~as of date of such cessation~~] at midnight on March 1
2 each year.

3 G. A license shall terminate upon death of the
4 licensee, if an individual, or dissolution, if a corporation,
5 or change in partners, if a partnership; provided that, in the
6 case of a partnership, the license may be continued for a
7 reasonable period while application for new license is being
8 made or pending, as provided by rule."

9 SECTION 3. Section 59A-11-12 NMSA 1978 (being Laws 1984,
10 Chapter 127, Section 191, as amended) is amended to read:

11 "59A-11-12. APPOINTMENT OF INSURANCE PRODUCER--
12 CONTINUATION.--

13 A. An insurance producer shall not act as an agent
14 of an insurer unless the insurance producer becomes an
15 appointed insurance producer of that insurer. An insurance
16 producer who is not acting as an agent of an insurer is not
17 required to become appointed.

18 B. To appoint an insurance producer as its agent,
19 the appointing insurer shall file in a format approved by the
20 superintendent a notice of appointment within fifteen days from
21 the date the agency contract is executed or the first insurance
22 application is submitted. An insurer may also elect to appoint
23 an insurance producer to all or some insurers within the
24 insurer's holding company system or group by the filing of a
25 single appointment request.

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1 C. Upon receipt of the notice of appointment, the
2 superintendent shall verify within a reasonable time not to
3 exceed thirty days that the insurance producer is eligible for
4 appointment. If the insurance producer is determined to be
5 ineligible for appointment, the superintendent shall notify the
6 insurer within five days of its determination.

7 D. An insurer shall pay a filing appointment fee in
8 the amount and method of payment set forth in Section 59A-6-1
9 NMSA 1978 for each insurance producer appointed by the insurer.

10 E. An insurer shall remit in a manner prescribed by
11 the superintendent a continuation of appointment fee in the
12 amount set forth in Section 59A-6-1 NMSA 1978.

13 F. Appointments shall be continuous subject to
14 payment of any applicable fees, annually, by midnight March 1
15 each year. Fees shall be calculated as of a date certain."

16 SECTION 4. Section 59A-12-17 NMSA 1978 (being Laws 1984,
17 Chapter 127, Section 218, as amended) is amended to read:

18 "59A-12-17. SCOPE OF LICENSE.--

19 A. Unless denied licensure pursuant to Sections
20 59A-11-8 and 59A-11-14 NMSA 1978, a person who has met the
21 requirements of Sections 59A-12-12 and 59A-12-15 NMSA 1978
22 shall be issued an insurance producer license. An insurance
23 producer may receive qualification for a license in one or more
24 of the following lines of authority:

25 (1) life insurance coverage on human lives,

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1 including benefits of endowment and annuities, and may include
2 benefits in the event of death or dismemberment by accident and
3 benefits for disability income;

4 (2) accident and health or sickness insurance
5 coverage for sickness, bodily injury or accidental death and
6 may include benefits for disability income;

7 (3) property insurance coverage for the direct
8 or consequential loss or damage to property of every kind;

9 (4) casualty insurance coverage against legal
10 liability, including that for death, injury or disability or
11 damage to real or personal property;

12 (5) variable life and variable annuity
13 products insurance coverage provided under variable life
14 insurance contracts and variable annuities;

15 (6) personal lines property and casualty
16 insurance coverage sold to individuals and families for
17 primarily noncommercial purposes;

18 (7) limited line credit insurance; and

19 (8) any other line of insurance permitted
20 under state laws.

21 B. A licensee as to variable annuities or similar
22 contracts deemed to constitute securities shall also possess
23 license as a security salesman under other applicable state
24 laws.

25 C. An insurance producer license shall remain in

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1 effect unless revoked or suspended as long as the fee set forth
2 in Section 59A-6-1 NMSA 1978 is paid, the resident insurance
3 producer maintains a current residential, business or email
4 address with the superintendent and education requirements for
5 resident insurance producers are met by the due date.

6 D. An insurance producer who allows the insurance
7 producer's license to lapse may, within twelve months from the
8 due date of the renewal fee, reinstate the same license without
9 the necessity of passing a written examination. However, a
10 penalty in the amount of [~~double~~] the unpaid renewal fee shall
11 be required for any renewal fee received after the due date.

12 E. A licensed insurance producer who is unable to
13 comply with license renewal procedures due to military service
14 or some other extenuating circumstance may request a waiver of
15 those procedures. The insurance producer may also request a
16 waiver of any examination requirement or any other fine or
17 sanction imposed for failure to comply with renewal procedures.

18 F. The license shall contain the licensee's name,
19 residential, business or email address and personal
20 identification number, the date of issuance, the lines of
21 authority, the expiration date and any other information the
22 superintendent deems necessary.

23 G. Licensees shall inform the superintendent in the
24 format prescribed by the superintendent of a change of
25 residential, business or email address within thirty days of

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1 the change. Failure to timely inform the superintendent of a
2 change in legal name or residential, business or email address
3 shall result in a penalty of fifty dollars (\$50.00).

4 H. The superintendent may contract with [~~non-~~
5 ~~governmental~~] nongovernmental entities, including the national
6 association of insurance commissioners or any affiliates or
7 subsidiaries that the national association of insurance
8 commissioners oversees, to perform any ministerial functions,
9 including the collection of fees, related to insurance producer
10 licensing that the superintendent and the nongovernmental
11 entity may deem appropriate."

12 SECTION 5. Section 59A-13-9 NMSA 1978 (being Laws 1984,
13 Chapter 127, Section 237, as amended) is amended to read:

14 "59A-13-9. PLACE OF BUSINESS.--

15 A. A resident adjuster shall have and maintain a
16 principal place of business in this state that is easily
17 accessible to the public and that is the place where the
18 adjuster principally conducts transactions under the license.
19 The address of the principal place of business shall appear on
20 the application for license and on the license.

21 B. An adjuster shall promptly notify the
22 superintendent of a change of business, residential or email
23 address. Failure to notify the superintendent of a change of
24 address within [~~twenty~~] thirty days shall subject the licensee
25 to a penalty in the amount of fifty dollars (\$50.00)."

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1 SECTION 6. A new section of Chapter 59A, Article 5 NMSA
2 1978 is enacted to read:

3 "[NEW MATERIAL] STATUTORY DEPOSITS, FEES AND ASSESSMENTS--
4 CONTACT INFORMATION REQUIRED--PENALTY.--

5 A. An insurer shall file, on a form furnished and
6 prescribed by the superintendent:

7 (1) the contact name of the individual who is
8 responsible for statutory deposits, fees and assessments;

9 (2) the phone number of each contact person;
10 and

11 (3) the email address of each contact person.

12 B. An insurer shall update the contact information
13 within thirty days of any change to the information or upon a
14 request from the superintendent. An insurer that fails to
15 update contact information may be subject to an administrative
16 penalty."

17 SECTION 7. A new section of Chapter 59A, Article 5 NMSA
18 1978 is enacted to read:

19 "[NEW MATERIAL] CERTIFICATE OF AUTHORITY--DOCUMENTATION
20 REQUIRED--PENALTY.--

21 A. An insurer that amends a certificate of
22 authority, including a form A filing or corporate amendment,
23 shall submit the required documentation to the superintendent
24 within thirty days of any change.

25 B. An insurer that fails to submit the

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1 documentation required pursuant to Subsection A of this section
2 may be subject to an administrative penalty."

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