

1 SENATE BILL 215

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

3 INTRODUCED BY

4 Leo Jaramillo

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10 AN ACT

11 RELATING TO INSURANCE; CLARIFYING COVERAGE FOR CERTAIN EXCLUDED
12 RISKS.

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

15 SECTION 1. Section 59A-18-17 NMSA 1978 (being Laws 1984,
16 Chapter 127, Section 346, as amended) is amended to read:

17 "59A-18-17. STANDARD PROVISIONS, IN GENERAL.--

18 A. Insurance contracts shall contain such standard
19 or uniform provisions as are required by applicable provisions
20 of the Insurance Code pertaining to contracts of particular
21 kinds of insurance.

22 B. No policy shall contain a provision inconsistent
23 with or contradictory to a standard or uniform provision used
24 or required to be used, but the superintendent may approve a
25 substitute provision that is, in the superintendent's opinion,

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1 not less favorable in any particular to the insured, owner or
2 beneficiary than the provision otherwise required or that is
3 designed to comply with Chapter 59A, Article 19 NMSA 1978.

4 C. Insurance coverage provided in residential
5 property insurance policies shall provide coverage for the cost
6 to repair or replace without deduction for depreciation. If
7 the insured elects to effectuate repairs to the property by the
8 insured's own self, a reasonable overhead expense shall be
9 allowed.

10 D. In lieu of the provisions required by the
11 Insurance Code for contracts for particular kinds of insurance,
12 substantially similar provisions required by the laws of the
13 domicile of a foreign or alien insurer may be used when
14 approved by the superintendent.

15 E. A policy issued by a domestic insurer for
16 delivery in another jurisdiction may contain any provision
17 required or permitted under the laws of such jurisdiction.

18 F. To protect consumers as well as enhance the
19 value of consumer information systems, the superintendent may
20 specify minimum coverage provisions that homeowners insurance
21 policies, private passenger non-fleet automobile insurance
22 policies or other lines or kinds of insurance policies that are
23 priced in a consumer information system shall contain, provided
24 that such minimum coverage provisions are contained in the
25 majority of policies in force in New Mexico for that line or

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1 kind of insurance. An insurer that does not offer a policy
2 that contains the minimum coverage provisions specified by the
3 superintendent for a line or kind of insurance shall not be
4 included in a consumer information system for that line or kind
5 of insurance. The superintendent shall not compel an insurer
6 to offer a policy containing minimum coverage provisions
7 specified by the superintendent.

8 G. When a loss is caused by a combination of a
9 covered and specifically excluded risk, an insurance contract
10 shall provide that the loss is covered if the covered risk was
11 the efficient proximate cause of the loss, but the loss is not
12 covered if the covered risk was only a remote cause of the
13 loss."