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HOUSE BILL 713

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Luciano "Lucky" Varela

AN ACT

RELATING TO INSURANCE; DEDICATING CERTAIN REVENUES UNDER THE
NEW MEXICO INSURANCE CODE TO PAY THE OPERATIONS EXPENSES OF THE
INSURANCE DIVISION OF THE PUBLIC REGULATION COMMISSION;
CREATING THE INSURANCE OPERATIONS FUND.

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

Section 1. Section 59A-6-5 NMSA 1978 (being Laws 1984,
Chapter 127, Section 105, as amended) is amended to read:

"59A-6-5. DISTRIBUTION OF [~~INSURANCE DEPARTMENT~~] DIVISION
COLLECTIONS. - -

A. All money received by the [~~insurance department~~]
division for fees, licenses, penalties and taxes shall be paid
daily by the superintendent to the state treasurer and by him
credited to the "insurance department suspense fund" except as
provided by:

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1 (1) the Law Enforcement Protection Fund Act;
2 and

3 (2) Section 59A-6-1.1 NMSA 1978.

4 B. The superintendent may authorize refund of money
5 erroneously paid as fees, licenses, penalties or taxes from the
6 insurance department suspense fund under request for refund
7 made within three years after the erroneous payment.

8 C. The "insurance operations fund" is created in
9 the state treasury. The fund shall consist of the
10 distributions made to it pursuant to Subsection D of this
11 section. The legislature shall annually appropriate from the
12 fund to the division those amounts necessary for the division
13 to carry out its responsibilities pursuant to the Insurance
14 Code and other laws. The balance in the fund at the end of a
15 fiscal year shall not revert to the general fund.

16 [~~C.~~] D. At the end of every month, after applicable
17 refunds are made pursuant to Subsection B of this section, the
18 state treasurer shall [transfer to the "fire protection fund"]
19 make the following transfers from the balance remaining in the
20 insurance department suspense fund [after applicable refunds
21 made pursuant to Subsection B of this section, and]:

22 (1) to the "fire protection fund", that part
23 of the balance derived from property and vehicle insurance
24 business;

25 (2) to the insurance operations fund, that

1 part of the balance derived from the fees imposed pursuant to
2 Subsections A and E of Section 59A-6-1 NMSA 1978; and

3 (3) [transfer] to the general fund, the
4 balance remaining in the insurance department suspense fund
5 derived from all other kinds of insurance business. "

6 Section 2. TEMPORARY PROVISION-- FUNDS TRANSFER. --During
7 fiscal year 2004, expenditures from the general fund for the
8 operations of the insurance division of the public regulation
9 commission shall be reimbursed each quarter from the insurance
10 operations fund to the extent funds are available. "

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