

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

AN ACT

RELATING TO INSURANCE; CLARIFYING CERTAIN TERMS OF TRAVEL
INSURANCE; ENACTING THE PORTABLE ELECTRONICS INSURANCE ACT
WITHIN THE NEW MEXICO INSURANCE CODE TO REGULATE PORTABLE
ELECTRONICS INSURANCE; AMENDING SECTIONS OF THE NEW MEXICO
INSURANCE CODE TO CREATE AN ADJUSTER LICENSURE EXEMPTION FOR
PORTABLE ELECTRONICS INSURANCE.

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

SECTION 1. Section 59A-12-17 NMSA 1978 (being Laws
1984, Chapter 127, Section 218, as amended by Laws 1999,
Chapter 272, Section 11 and also by Laws 1999, Chapter 289,
Section 12) is amended to read:

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

A. Except as to limited licenses identified in
Section 59A-12-18 NMSA 1978 and Section 3 of this 2013 act,
an agent's or broker's license shall cover the kind of
insurance, or major subdivisions of life or health insurance,
for which the applicant has applied and qualified, including
the following:

(1) life insurance, or any or all of the
following subdivisions thereof:

- (a) industrial life insurance;
- (b) debit insurance;
- (c) credit life insurance; or

- 1 (d) variable annuity contracts;
2 (2) health insurance, credit health
3 insurance or industrial health insurance, or other
4 subdivisions thereof;
5 (3) property insurance;
6 (4) casualty insurance;
7 (5) surety insurance;
8 (6) marine and transportation insurance;
9 (7) vehicle insurance; or
10 (8) title insurance.

11 B. The scope of a solicitor's license is subject
12 to Section 59A-12-14 NMSA 1978.

13 C. License of a broker shall cover the kind or
14 kinds of insurance applied and qualified for, within the
15 classifications stated in Subsection A of this section.

16 D. A licensee as to variable annuities or similar
17 contracts deemed to constitute also securities, shall also
18 possess license as a security salesman under other applicable
19 state laws."

20 SECTION 2. Section 59A-12-18 NMSA 1978 (being Laws
21 1984, Chapter 127, Section 219, as amended) is amended to
22 read:

23 "59A-12-18. LIMITED LICENSE.--

24 A. The superintendent may issue a limited agent's
25 license to individual applicants employed full time by a

1 vendor of merchandise or other property, or by a financial
2 institution making consumer loans on terms with respect to
3 which credit life insurance, credit health insurance, credit
4 property insurance or credit involuntary unemployment
5 insurance under individual policies is customarily required
6 of or offered to the purchaser or borrower, covering only
7 that credit life, credit health, credit property or credit
8 involuntary unemployment insurance.

9 B. The superintendent may issue a limited agent's
10 license to vendors in accordance with the provisions of the
11 Portable Electronics Insurance Act. The application shall
12 provide:

13 (1) the name, residence address and other
14 information required by the superintendent for an employee or
15 officer of the vendor that is designated by the applicant as
16 the person responsible for the vendor's compliance with the
17 requirements of the Portable Electronics Insurance Act.

18 However, if the vendor derives more than fifty percent of its
19 revenue from the sale of portable electronics insurance, the
20 information noted above shall be provided for all officers,
21 directors and shareholders of record having beneficial
22 ownership of ten percent or more of any class of securities
23 registered under the federal securities law; and

24 (2) the location of the applicant's home
25 office.

1 C. No holder of a limited license issued pursuant
2 to Subsection A of this section shall concurrently be
3 otherwise licensed under the Insurance Code."

4 SECTION 3. A new section of Chapter 59A, Article 12
5 NMSA 1978 is enacted to read:

6 "LIMITED LICENSE--TRAVEL INSURANCE.--

7 A. The superintendent may issue a limited agent's
8 license to applicants who are qualified to solicit or sell
9 travel insurance.

10 B. A travel retailer may offer and disseminate
11 travel insurance under the license of a limited lines travel
12 insurance agent only if:

13 (1) the limited lines travel insurance agent
14 or travel retailer provides to purchasers of travel
15 insurance:

16 (a) a description of the material terms
17 of the insurance coverage;

18 (b) a description of the process for
19 filing a claim;

20 (c) a description of the travel
21 insurance policy's cancellation process; and

22 (d) the identity and contact
23 information of the insurer and limited lines travel insurance
24 agent;

25 (2) the limited lines travel insurance

1 agent:

2 (a) establishes at the time of
3 licensure on a form prescribed by the superintendent a
4 register of each travel retailer that offers travel insurance
5 on behalf of the limited lines travel insurance agent;

6 (b) includes in the register each
7 travel retailer's federal tax identification number and the
8 name, address and contact information of each travel retailer
9 and an officer or person who directs or controls the travel
10 retailer's operations;

11 (c) maintains the register and updates
12 it at least once a year;

13 (d) submits the register to the
14 superintendent upon reasonable request; and

15 (e) certifies that each travel retailer
16 on the register complies with federal laws;

17 (3) the limited lines travel insurance agent
18 has selected a designated responsible agent who is one of its
19 licensed individual agent employees and who is responsible
20 for the limited lines travel insurance agent's compliance
21 with the travel insurance laws and rules of this state;

22 (4) the designated responsible agent,
23 president, secretary, treasurer and all other officers or
24 persons who direct or control the limited lines travel
25 insurance agent's insurance operations comply with the

1 fingerprinting requirements for insurance agents of the
2 resident state of the limited lines travel insurance agent;

3 (5) the limited lines travel insurance agent
4 has paid all applicable insurance agent licensing fees
5 pursuant to state law; and

6 (6) the limited lines travel insurance agent
7 requires each employee and authorized representative of the
8 travel retailer whose duties include offering and
9 disseminating travel insurance to receive a program of
10 instruction or training that the superintendent may review
11 and that, at a minimum, contains instructions on the types of
12 insurance offered, ethical sales practices and required
13 disclosures to prospective customers.

14 C. A travel retailer that offers and disseminates
15 travel insurance shall make available to prospective
16 purchasers brochures or other written materials that:

17 (1) identify and provide the contact
18 information of the insurer and the limited lines travel
19 insurance agent;

20 (2) explain that the purchase of travel
21 insurance is not a prerequisite to the purchase of any other
22 product or service of the travel retailer; and

23 (3) explain that an unlicensed travel
24 retailer may provide general information about the insurance
25 offered by the travel retailer, including a description of

1 the coverage and price, but is not qualified or authorized to
2 answer technical questions about the terms and conditions of
3 the insurance offered by the travel retailer or to evaluate
4 the adequacy of the customer's existing insurance coverage.

5 D. A travel retailer's employee or authorized
6 representative who is not licensed as an insurance agent
7 shall not:

8 (1) evaluate or interpret the technical
9 terms, benefits or conditions of the travel insurance
10 coverage offered;

11 (2) evaluate or provide advice concerning a
12 prospective purchaser's existing insurance coverage; or

13 (3) make representation as being a licensed
14 insurer, licensed agent or insurance expert.

15 E. A travel retailer and its employees and
16 authorized representatives whose insurance-related activities
17 are limited to the offering and disseminating of travel
18 insurance on behalf of and under the direction of a limited
19 lines travel insurance agent that complies with this section
20 may conduct and receive compensation for those activities.

21 F. A travel retailer may place insurance under an
22 individual policy or under a group or master policy.

23 G. As the insurer designee, a limited lines travel
24 insurance agent shall be responsible for the acts of the
25 travel retailer and shall use reasonable means to ensure that

1 the travel retailer complies with the provisions of this
2 section.

3 H. As used in this section:

4 (1) "limited lines travel insurance agent"
5 means a licensed managing general agent or third-party
6 administrator or a licensed insurance agent;

7 (2) "offer and disseminate" means providing
8 general information, including a description of coverage and
9 price, processing applications, collecting premiums and
10 performing other nonlicensable activities permitted by this
11 state;

12 (3) "travel insurance" means insurance
13 coverage for personal risks incident to planned travel,
14 including the interruption or cancellation of a trip or
15 event; the loss of baggage or personal effects; damage to
16 accommodations or rental vehicles; or sickness, accident,
17 disability or death during travel. "Travel insurance"
18 excludes major medical plans that provide comprehensive
19 medical protection for travelers on trips of six months or
20 longer, such as for those working overseas as expatriates or
21 deployed military personnel; and

22 (4) "travel retailer" means a business
23 entity that makes, arranges or offers travel services."

24 SECTION 4. A new section of the New Mexico Insurance
25 Code is enacted to read:

1 "SHORT TITLE.--Sections 4 through 10 of this act may be
2 cited as the "Portable Electronics Insurance Act"."

3 SECTION 5. A new section of the New Mexico Insurance
4 Code is enacted to read:

5 "DEFINITIONS.--As used in the Portable Electronics
6 Insurance Act:

7 A. "customer" means a person who purchases
8 portable electronics or services;

9 B. "enrolled customer" means a customer who elects
10 coverage under a portable electronics insurance policy issued
11 to a vendor of portable electronics;

12 C. "location" means any physical location in the
13 state of New Mexico or any web site, call center site or
14 similar location directed to residents of the state of New
15 Mexico;

16 D. "portable electronics" means electronic devices
17 that are portable in nature and their accessories;

18 E. "portable electronics insurance" means
19 insurance providing coverage for the repair or replacement of
20 portable electronics that may provide coverage for portable
21 electronics against any one or more of the following causes
22 of loss: loss, theft, inoperability due to mechanical
23 failure, malfunction, damage or other similar causes of loss.

24 "Portable electronics insurance" also includes any agreement
25 whereby a person or any legal entity, in exchange for

1 consideration paid, agrees to provide for the future repair,
2 replacement or provision of portable electronics. "Portable
3 electronics insurance" does not include:

4 (1) a service contract governed by the
5 Service Contract Regulation Act;

6 (2) a policy of insurance covering a
7 seller's or a manufacturer's obligations under a warranty; or

8 (3) a homeowner's, renter's, private
9 passenger automobile, commercial multiperil or similar
10 policy;

11 F. "portable electronics transaction" means:

12 (1) the sale or lease of portable
13 electronics by a vendor to a customer; or

14 (2) the sale of a service related to the use
15 of portable electronics by a vendor to a customer;

16 G. "superintendent" means the superintendent of
17 insurance;

18 H. "supervising entity" means a business entity
19 that is a licensed insurer or insurance producer that is
20 appointed by an insurer to supervise the administration of a
21 portable electronics insurance program; and

22 I. "vendor" means a person in the business of
23 engaging in portable electronics transactions directly or
24 indirectly."

25 SECTION 6. A new section of the New Mexico Insurance

1 Code is enacted to read:

2 "LICENSURE OF VENDORS.--

3 A. A vendor is required to hold a limited agent's
4 license pursuant to Section 59A-12-18 NMSA 1978 to sell or
5 offer coverage under a policy of portable electronics
6 insurance.

7 B. A limited agent's license issued to a vendor
8 shall authorize any employee or authorized representative of
9 the vendor to sell or offer coverage under a policy of
10 portable electronics insurance to a customer at each location
11 at which the vendor engages in portable electronics
12 transactions.

13 C. The supervising entity shall maintain a
14 registry of vendor locations that are authorized to sell or
15 solicit portable electronics insurance coverage in this
16 state. Upon request by the superintendent and with
17 reasonable notice to the supervising entity, the registry
18 shall be open to inspection and examination by the
19 superintendent during regular business hours of the
20 supervising entity.

21 D. Notwithstanding any other provision of law, a
22 limited agent's license issued to a vendor shall authorize
23 the licensee and its employees or authorized representatives
24 to engage in those activities that are permitted by the
25 Portable Electronics Insurance Act."

1 SECTION 7. A new section of the New Mexico Insurance
2 Code is enacted to read:

3 "REQUIREMENTS FOR SALE OF PORTABLE ELECTRONICS
4 INSURANCE.--

5 A. At every location where portable electronics
6 insurance is offered to customers, brochures or other written
7 materials shall be made available to a prospective customer
8 that:

9 (1) disclose that portable electronics
10 insurance may provide a duplication of coverage already
11 provided by a customer's homeowner's insurance policy,
12 renter's insurance policy or other source of coverage;

13 (2) state that the enrollment by the
14 customer in a portable electronics insurance program is not
15 required in order to purchase or lease portable electronics
16 or services;

17 (3) summarize the material terms of the
18 insurance coverage, including:

19 (a) the identity of the insurer;

20 (b) the identity of the supervising
21 entity;

22 (c) the amount of any applicable
23 deductible and how it is to be paid;

24 (d) benefits of the coverage; and

25 (e) key terms and conditions of

1 coverage, including whether portable electronics may be
2 repaired or replaced with similar make and model
3 reconditioned or nonoriginal manufacturer parts or equipment;

4 (4) summarize the process for filing a
5 claim, including a description of how to return portable
6 electronics, and the maximum fee applicable in the event the
7 customer fails to comply with any equipment return
8 requirements; and

9 (5) state that an enrolled customer may
10 cancel enrollment for coverage under a portable electronics
11 insurance policy at any time and the person paying the
12 premium shall receive a refund of any applicable unearned
13 premium.

14 B. The written materials required by this section
15 shall not be subject to filing or approval requirements with
16 the superintendent.

17 C. Portable electronics insurance may be offered
18 on a month-to-month or other periodic basis as a group or
19 master commercial inland marine policy issued to a vendor for
20 its enrolled customers.

21 D. Eligibility and underwriting standards for
22 customers electing to enroll in coverage shall be established
23 for each portable electronics insurance program."

24 SECTION 8. A new section of the New Mexico Insurance
25 Code is enacted to read:

1 "AUTHORITY OF VENDORS OF PORTABLE ELECTRONICS.--

2 A. The employees and authorized representatives of
3 vendors may sell or offer portable electronics insurance to
4 customers and shall not be subject to licensure as insurance
5 agents under any other provision of the Insurance Code,
6 provided that:

7 (1) the vendor obtains a limited agent's
8 license to authorize its employees or authorized
9 representatives to sell or offer portable electronics
10 insurance and complies with the provisions of the Portable
11 Electronics Insurance Act;

12 (2) the insurer issuing the portable
13 electronics insurance either directly supervises or appoints
14 a supervising entity to supervise the administration of the
15 program, including development of a training program for
16 employees and authorized representatives of the vendors. The
17 training:

18 (a) shall be delivered to employees and
19 authorized representatives of vendors who are directly
20 engaged in the activity of selling or offering portable
21 electronics insurance;

22 (b) may be provided in electronic form,
23 provided that the supervising entity implements a
24 supplemental education program regarding the portable
25 electronics insurance product that is conducted and overseen

1 by licensed employees of the supervising entity; and

2 (c) shall provide to each employee and
3 authorized representative of a vendor basic instruction about
4 the portable electronics insurance offered to customers and
5 the disclosures required by the Portable Electronics
6 Insurance Act; and

7 (3) employees or authorized representatives
8 of a vendor of portable electronics shall not advertise,
9 represent or otherwise hold themselves out as nonlimited
10 lines licensed insurance producers.

11 B. Notwithstanding any other provision of law,
12 employees or authorized representatives of a vendor shall not
13 be compensated based primarily on the number of customers
14 enrolled for portable electronics insurance coverage but may
15 receive compensation for activities under the limited agent's
16 license that is incidental to their overall compensation.

17 C. The charges for portable electronics insurance
18 coverage may be billed and collected by the vendor. Any
19 charge to an enrolled customer for coverage that is not
20 included in the cost associated with the purchase or lease of
21 portable electronics or related services shall be separately
22 itemized on the enrolled customer's bill. If the portable
23 electronics insurance coverage is included with the purchase
24 or lease of portable electronics or related services, the
25 vendor shall clearly and conspicuously disclose to the

1 enrolled customer that the portable electronics insurance
2 coverage is included with the portable electronics or related
3 services. Vendors billing and collecting such charges shall
4 not be required to maintain such funds in a segregated
5 account; provided that the vendor is authorized by the
6 insurer to hold such funds in an alternative manner and
7 remits such amounts to the supervising entity within sixty
8 days of receipt. All funds received by a vendor from an
9 enrolled customer for the sale of portable electronics
10 insurance shall be considered funds held in trust by the
11 vendor in a fiduciary capacity for the benefit of the
12 insurer. Vendors may receive compensation for billing and
13 collection services."

14 SECTION 9. A new section of the New Mexico Insurance
15 Code is enacted to read:

16 "PENALTIES--SUSPENSION OR REVOCATION OF LICENSE.--A
17 person who violates any provision of the Portable Electronics
18 Insurance Act may, after notice and hearing, be subject to:

19 A. fines not to exceed one thousand dollars
20 (\$1,000) per violation and not to exceed a total of ten
21 thousand dollars (\$10,000); or

22 B. as the superintendent deems necessary:

23 (1) suspension of the privilege of
24 transacting portable electronics insurance at specific
25 locations where violations have occurred; or

1 (2) suspension or revocation of the ability
2 of individual employees or authorized representatives of a
3 vendor to act under the license."

4 SECTION 10. A new section of the New Mexico Insurance
5 Code is enacted to read:

6 "TERMINATION OF PORTABLE ELECTRONICS

7 INSURANCE.--Notwithstanding any other provision of law:

8 A. an insurer may terminate or otherwise change
9 the terms and conditions of a policy of portable electronics
10 insurance only upon providing the policyholder and enrolled
11 customers with at least thirty days' notice;

12 B. if the insurer changes the terms and conditions
13 of a policy, the insurer shall provide the vendor with a
14 revised policy or endorsement and each enrolled customer with
15 a revised certificate, endorsement, updated brochure or other
16 evidence indicating that a change in the terms and conditions
17 has occurred and shall provide a summary of material changes;

18 C. notwithstanding the provisions of Subsection A
19 of this section, an insurer may terminate an enrolled
20 customer's enrollment under a portable electronics insurance
21 policy upon fifteen days' notice for discovery of fraud or
22 material misrepresentation in obtaining coverage or in the
23 presentation of a claim thereunder;

24 D. notwithstanding the provisions of Subsection A
25 of this section, an insurer may immediately terminate an

1 enrolled customer's enrollment under a portable electronics
2 insurance policy without prior notice:

3 (1) for nonpayment of premium;

4 (2) if the enrolled customer ceases to have
5 an active service with the vendor; or

6 (3) if an enrolled customer exhausts the
7 aggregate limit of liability, if any, under the terms of the
8 portable electronics insurance policy and the insurer sends
9 notice of termination to the enrolled customer within thirty
10 calendar days after exhaustion of the limit. However, if
11 notice is not timely sent, enrollment shall continue
12 notwithstanding the aggregate limit of liability until the
13 insurer sends notice of termination to the enrolled customer;

14 E. if a portable electronics insurance policy is
15 terminated by a policyholder, the policyholder shall mail or
16 deliver written notice to each enrolled customer advising the
17 enrolled customer of the termination of the policy and the
18 effective date of termination. The written notice shall be
19 mailed or delivered to the enrolled customer at least thirty
20 days prior to the termination;

21 F. if notice or correspondence with respect to a
22 policy of portable electronics insurance is required pursuant
23 to this section or is otherwise required by law, it shall be
24 in writing and sent within the notice period, if any,
25 specified within the statute or regulation requiring the

1 notice or correspondence. Notwithstanding any other
2 provision of law, notices and correspondence may be sent
3 either by mail or by electronic means as set forth in this
4 subsection. If the notice or correspondence is mailed, it
5 shall be sent to the vendor at the vendor's mailing address
6 specified for such purpose and to its affected enrolled
7 customers' last known mailing addresses on file with the
8 insurer. The insurer or vendor shall maintain proof of
9 mailing in a form authorized or accepted by the United States
10 postal service or other commercial mail delivery service. If
11 the notice or correspondence is sent by electronic means, it
12 shall be sent to the vendor at the vendor's electronic mail
13 address specified for such purpose and to its affected
14 enrolled customers' last known electronic mail addresses as
15 provided by each enrolled customer to the insurer or vendor.
16 For purposes of this subsection, an enrolled customer's
17 provision of an electronic mail address to the insurer or
18 vendor shall be deemed consent to receive notices and
19 correspondence by electronic means. The insurer or vendor
20 shall maintain proof that the notice or correspondence was
21 sent; and

22 G. notice or correspondence required by this
23 section or otherwise required by law may be sent on behalf of
24 an insurer or vendor by the supervising entity."

25 SECTION 11. Section 59A-13-2 NMSA 1978 (being Laws

1 1984, Chapter 127, Section 230, as amended) is amended to
2 read:

3 "59A-13-2. DEFINITIONS.--

4 A. For the purposes of the Insurance Code:

5 (1) "adjuster" means a person that:

6 (a) investigates, negotiates, settles
7 or adjusts a loss or claim arising under an insurance
8 contract on behalf of an insurer, insured or self-insurer,
9 for a fee, commission or other compensation; however, an
10 adjuster acting on behalf of an insured shall not
11 investigate, negotiate, settle or adjust a claim involving
12 personal injury to the insured; and

13 (b) advises the insured of the
14 insured's rights to settlement and the insured's rights to
15 settle, arbitrate and litigate the dispute;

16 (2) "automated claims adjudication system"
17 means a preprogrammed computer system designed for the
18 collection, data entry, calculation and final resolution of
19 portable electronics insurance claims that shall:

20 (a) only be used by a licensed
21 independent adjuster, licensed agent or supervised
22 individuals operating pursuant to Subsection C of Section
23 59A-13-3 NMSA 1978;

24 (b) comply with all claims payment
25 requirements of the Insurance Code; and

1 (c) be certified as compliant with the
2 Portable Electronics Insurance Act by a licensed independent
3 adjuster who is an officer of a licensed business entity
4 pursuant to the Insurance Code;

5 (3) "staff adjuster" means an adjuster
6 individual who is a salaried employee of an insurer or
7 affiliates of the employer insurer, representing and
8 adjusting claims solely under policies of the employer
9 insurer;

10 (4) "independent adjuster" means an adjuster
11 who is not a staff adjuster and includes a representative and
12 an employee of an independent adjuster; and

13 (5) "resident adjuster" means an adjuster
14 who resides principally in New Mexico and who conducts
15 business primarily in New Mexico.

16 B. Except as otherwise provided, "adjuster" does
17 not include:

18 (1) an attorney-at-law who adjusts insurance
19 losses or claims from time to time incidental to practice of
20 law and who does not advertise or represent as an adjuster;

21 (2) a licensed agent or general agent of an
22 authorized insurer or an employee of an agent or general
23 agent who adjusts claims or losses under specific authority
24 from the insurer and solely under policies issued by the
25 insurer;

1 (3) an agent or employee of a life or health
2 insurer who adjusts claims or losses under the insurer's
3 policies or contracts to administer policies or benefits of
4 that type;

5 (4) a salaried or part-time claims agent or
6 investigator employed by a self-insured person; or

7 (5) an individual who, for purposes of
8 portable electronics insurance claims, collects claim
9 information from, or furnishes claim information to, insureds
10 or claimants, and who conducts data entry, including entering
11 data into an automated claims adjudication system, provided
12 that the individual is an employee of a licensed independent
13 adjuster or its affiliate where no more than twenty-five such
14 persons are under the supervision of one licensed independent
15 adjuster or licensed agent who is exempt from licensure
16 pursuant to Paragraph (2) of this subsection."

17 SECTION 12. Section 59A-13-3 NMSA 1978 (being Laws
18 1984, Chapter 127, Section 231, as amended) is amended to
19 read:

20 "59A-13-3. LICENSE REQUIRED.--

21 A. No person shall, in this state, act as, or make
22 any representation as being, an adjuster unless licensed as
23 such by the superintendent under the Insurance Code.

24 B. No person, regardless of location, shall act
25 as, or make any representation as being, an adjuster with

1 respect to workers' compensation claims of claimants resident
2 or located in New Mexico unless licensed as such by the
3 superintendent under the Insurance Code.

4 C. Notwithstanding any other provision of law, a
5 nonresident may be licensed as a nonresident independent
6 adjuster for the purposes of portable electronics insurance
7 if that applicant has designated another state as the
8 applicant's home state."

9 SECTION 13. Section 59A-13-4 NMSA 1978 (being Laws
10 1984, Chapter 127, Section 232) is amended to read:

11 "59A-13-4. QUALIFICATIONS FOR LICENSE AS ADJUSTER.--

12 A. The superintendent shall license as an adjuster
13 only an individual who is otherwise in compliance with
14 Chapter 59A, Articles 11 and 13 NMSA 1978 and who has
15 furnished evidence satisfactory to the superintendent that
16 the applicant for license:

17 (1) is not less than eighteen years of age;

18 (2) is a bona fide resident of this state,
19 or of a state or country that permits residents of this state
20 to act as adjusters therein, except that under circumstances
21 of necessity the superintendent may waive the requirement of
22 reciprocity;

23 (3) can demonstrate a good business
24 reputation, and intends to engage in a bona fide manner in
25 the business of adjusting insurance claims;

1 (4) except as to temporary license provided
2 for under Section 59A-13-6 NMSA 1978, has had at least one
3 year's experience or special education or training in
4 handling of losses or claims under insurance contracts, such
5 experience, education and training to be of such nature and
6 extent as to demonstrate the applicant's competence to
7 fulfill the responsibilities of an adjuster; and

8 (5) has filed the bond required under
9 Section 59A-13-5 NMSA 1978.

10 B. Paragraphs (2) and (5) of Subsection A of this
11 section shall not apply as to staff adjusters.

12 C. Individuals holding licenses as adjusters on
13 the effective date of the Insurance Code shall be deemed to
14 meet the qualifications for the license except as provided in
15 Chapter 59A, Articles 11 and 13 NMSA 1978.

16 D. A business entity applying for an independent
17 adjuster license for the purposes of portable electronics
18 insurance in New Mexico shall submit the names, addresses,
19 social security numbers, criminal and administrative
20 histories, background checks, biographical statements and
21 fingerprints of all executive officers and directors of the
22 applicant and of all executive officers and directors of
23 entities owning and any individuals owning, directly or
24 indirectly, fifty-one percent or more of the outstanding
25 voting securities of the applicant. Any nonresident business

1 entity applicant whose resident state has enacted into law
2 provisions that are substantively duplicative of the
3 provisions of this subsection shall not be required to submit
4 criminal histories, background checks, biographical
5 statements and fingerprints for its executive officers,
6 directors and owners of outstanding voting securities."

7 SECTION 14. EFFECTIVE DATE.--The effective date of the
8 provisions of this act is July 1, 2013. _____

SJC/SB 206
Page 25

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25