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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/15/13

SPONSOR Torraco LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Payment of Insurance & Broker Commissions SB 543

ANALYST Clark

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
NFI	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Regulation Commission (PRC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 543 amends the Insurance Code Section 59A-12-24 NMSA 1978 to include a new section stating:

“Nothing in the Insurance Code shall be deemed to prohibit payment of commissions, compensation or other valuable consideration to an agent's or broker's estate if that agent or broker, if living, would be entitled to the payment.”

### FISCAL IMPLICATIONS

There are no significant fiscal implications.

### SIGNIFICANT ISSUES

This bill clarifies that the remainder of the Insurance Code shall not be construed to prohibit payments to an agent’s or broker’s estate, which is not currently stated explicitly. This will allow the estate to claim payments for which the respective agent or broker was entitled.

JC/blm