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HOUSE BILL 80

**53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

INTRODUCED BY

Nate Gentry

AN ACT

RELATING TO INSURANCE; ALLOWING FOR PAYMENT OF INSURANCE AGENT  
AND BROKER COMMISSIONS AND OTHER COMPENSATION TO DECEASED  
AGENTS' AND BROKERS' ESTATES.

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

SECTION 1. Section 59A-12-24 NMSA 1978 (being Laws 1984,  
Chapter 127, Section 225, as amended by Laws 1999, Chapter 272,  
Section 14 and also by Laws 1999, Chapter 289, Section 15) is  
amended to read:

"59A-12-24. SHARING OF COMMISSIONS.--

A. An agent or broker shall share a commission or  
compensation for or on account of the solicitation or  
negotiation in this state of insurance on individuals or  
property or risks in this state only with the agent's duly  
licensed solicitor, or duly licensed agent of the insurer with

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1 which the insurance was placed, or duly licensed broker.

2 B. No such licensee shall share in commission or  
3 compensation as to a kind of insurance for which not licensed.

4 C. Such sharing in commissions and compensation  
5 between the same such licensees shall be infrequently only, and  
6 shall not unduly obviate the general necessity of appointment  
7 of the agent by the insurer with which the insurance is placed.

8 D. Nothing in the Insurance Code shall be deemed to  
9 prohibit payment, to or for the account of a former owner of an  
10 insurance agency or brokerage, of commissions or part thereof  
11 currently accruing on business of the agency or brokerage, as  
12 part of the purchase price of the agency or brokerage, whether  
13 or not such former owner is currently licensed as agent,  
14 solicitor or broker.

15 E. Nothing in the Insurance Code shall be deemed to  
16 prohibit the payment of a commission, compensation or other  
17 valuable consideration to the estate of a deceased agent or  
18 broker if that agent or broker would otherwise be entitled to  
19 that payment."