

SENATE JUDICIARY COMMITTEE SUBSTITUTE FOR  
SENATE BILL 71

**55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

AN ACT

RELATING TO CONSUMER PROTECTION; ENACTING THE PATIENTS' DEBT  
COLLECTION PROTECTION ACT; PREVENTING COLLECTION FROM INDIGENT  
PATIENTS; REQUIRING HEALTH CARE FACILITIES TO SCREEN PATIENTS  
FOR ASSISTANCE ELIGIBILITY; REQUIRING HEALTH CARE FACILITIES TO  
PROVIDE PRICE AND PAYMENT INFORMATION; PROVIDING FOR PRICING  
PARITY; REQUIRING HEALTH CARE FACILITIES AND THIRD-PARTY HEALTH  
CARE PROVIDERS TO REPORT HOW CERTAIN PUBLIC FUNDS ARE SPENT;  
LIMITING ENFORCEABILITY OF CERTAIN JUDGMENTS; MAKING VIOLATIONS  
OF THE PATIENTS' DEBT COLLECTION PROTECTION ACT AND THE  
COLLECTION AGENCY REGULATORY ACT UNFAIR OR DECEPTIVE TRADE  
PRACTICES; ADDING TO THE DEFINITION OF "COLLECTION AGENCY" IN  
THE COLLECTION AGENCY REGULATORY ACT; INCREASING SURETY BOND  
COVERAGE REQUIREMENTS; REMOVING ATTORNEY FEES AND COSTS FOR  
CERTAIN SUITS BY COLLECTION AGENCIES; AMENDING AND ENACTING  
SECTIONS OF THE NMSA 1978.

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

SECTION 1. A new section of Chapter 57 NMSA 1978 is enacted to read:

"~~[NEW MATERIAL]~~ SHORT TITLE.--Sections 1 through 13 of this act may be cited as the "Patients' Debt Collection Protection Act"."

SECTION 2. A new section of Chapter 57 NMSA 1978 is enacted to read:

"~~[NEW MATERIAL]~~ DEFINITIONS.--As used in the Patients' Debt Collection Protection Act:

A. "collection action" means any of the following:

(1) selling a person's medical debt to another party, including a medical debt collector;

(2) reporting adverse information about a patient to a consumer reporting agency; or

(3) actions that require a legal or judicial process, including:

(a) placing a lien on a person's property;

(b) attaching or seizing a person's bank account or any other personal property;

(c) commencing a civil action against a person; or

(d) garnishing a person's wages;

underscored material = new  
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1 B. "consumer" means a natural person;

2 C. "consumer reporting agency" means a person that,  
3 for monetary fees, dues or on a cooperative nonprofit basis,  
4 regularly engages in whole or in part in the practice of  
5 assembling or evaluating consumer credit information or other  
6 information on consumers for the purpose of furnishing consumer  
7 reports to third parties;

8 D. "department" means the human services  
9 department;

10 E. "gross charges" means a health care facility's  
11 full, established price for health care services that the  
12 health care facility charges uninsured patients before applying  
13 any contractual allowances, discounts or deductions;

14 F. "health care facility" means the following  
15 entities with revenues of at least five million dollars  
16 (\$5,000,000) annually: a public hospital; a profit or  
17 nonprofit private hospital; a general or special hospital; a  
18 practice owned by, affiliated with or operating under the  
19 license of a hospital; a freestanding emergency facility or  
20 other outpatient clinic or facility; a crisis triage center; a  
21 freestanding birth center; an ambulance or air ambulance  
22 provider; an ambulatory surgical or urgent care center; a  
23 nursing home; an intermediate care facility; an assisted living  
24 facility; a diagnostic and treatment center; a rehabilitation  
25 center; an infirmary; a community mental health center that

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1 serves both children and adults or adults only; a residential  
2 treatment center; a day treatment center; a health service  
3 organization operating as a freestanding hospice or a home  
4 health agency; or facilities that must be licensed by the state  
5 to obtain or maintain full or partial, permanent or temporary  
6 federal funding;

7 G. "health care services" means services for the  
8 diagnosis, prevention, treatment, cure or relief of a physical,  
9 dental, behavioral or mental health condition, substance use  
10 disorder, illness, injury or disease, which services include  
11 procedures, products, devices or medications;

12 H. "household income" means income calculated by  
13 using the methods used to calculate medicaid eligibility;

14 I. "indigent patient" means a patient with a  
15 household income that does not exceed two hundred percent of  
16 the federal poverty level;

17 J. "medical creditor" means a person that provides  
18 health care services and to whom the consumer owes money for  
19 those services or the person that provided health care services  
20 and to whom the consumer previously owed money if the medical  
21 debt has been purchased by one or more medical debt buyers;

22 K. "medical debt" means a debt arising from the  
23 receipt of health care services;

24 L. "medical debt buyer" means a person that is  
25 engaged in the business of purchasing medical debts for

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1 collection purposes, whether that person collects the debt or  
 2 hires a third party for collection or an attorney for  
 3 litigation in order to collect such debt;

4 M. "medical debt collector" means a person that  
 5 regularly collects or attempts to collect, directly or  
 6 indirectly, medical debts originally owed or due or asserted to  
 7 be owed or due to another person. A medical debt buyer is  
 8 considered to be a medical debt collector for all purposes of  
 9 the Patients' Debt Collection Protection Act;

10 N. "patient" means the person who received health  
 11 care services or a parent or legal guardian of a minor or an  
 12 adult under guardianship who received health care services;

13 O. "superintendent" means the superintendent of  
 14 insurance; and

15 P. "third-party health care provider" means a  
 16 licensed health care professional or an entity with revenues of  
 17 at least five million dollars (\$5,000,000) annually, when  
 18 billing patients independently for health care services  
 19 provided in a health care facility."

20 SECTION 3. A new section of Chapter 57 NMSA 1978 is  
 21 enacted to read:

22 "[NEW MATERIAL] REQUIREMENT TO PROVIDE SCREENING FOR  
 23 INSURANCE AND PROGRAM ELIGIBILITY.--

24 A. In addition to any other actions required by  
 25 applicable state or federal law or local government ordinance,

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1 health care facilities shall take the following steps before  
2 seeking payment for emergency or medically necessary care:

3 (1) offer to and, if requested, verify whether  
4 a patient has any health insurance;

5 (2) if the patient is uninsured, offer  
6 information about, offer to screen the patient for and, if  
7 requested, screen the patient for:

8 (a) all available public insurance;

9 (b) any other public programs that may  
10 assist with health care costs; and

11 (c) any financial assistance offered by  
12 the health care facility;

13 (3) offer to and, if requested, provide  
14 assistance with the application process for programs identified  
15 during the screening; and

16 (4) if a third-party health care provider will  
17 bill the patient, send the information gathered during the  
18 steps required pursuant to this subsection to the third-party  
19 health care provider.

20 B. In addition to any other actions required by  
21 applicable state or federal law or local government ordinance,  
22 a third-party health care provider shall not seek payment for  
23 emergency or medically necessary care until the third-party  
24 health care provider receives the information required pursuant  
25 to Paragraph (4) of Subsection A of this section.

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1           C. The superintendent shall promulgate rules to  
 2 establish minimum standards governing the requirements of this  
 3 section and shall provide health care facilities and third-  
 4 party health care providers with guidance on billing and  
 5 screening best practices that includes policies to prevent the  
 6 disclosure of patients' personal information to third parties."

7           SECTION 4. A new section of Chapter 57 NMSA 1978 is  
 8 enacted to read:

9           "[NEW MATERIAL] INDIGENT PATIENTS--PATIENTS' DEBT  
 10 COLLECTION PROTECTIONS.--

11           A. For patients who are determined to be indigent  
 12 patients, charges for health care services and medical debt  
 13 shall not be pursued through collection actions. All  
 14 collection actions through which charges for health care  
 15 services and medical debt are pursued shall be terminated upon  
 16 the determination that a patient is an indigent patient.  
 17 Health care facilities, third-party health care providers and  
 18 medical creditors shall not hire or otherwise engage third  
 19 parties to perform collection actions against or otherwise  
 20 recover debts from indigent patients.

21           B. The superintendent shall promulgate rules to  
 22 establish the process by which a patient is determined to be an  
 23 indigent patient for purposes of this section."

24           SECTION 5. A new section of Chapter 57 NMSA 1978 is  
 25 enacted to read:

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1           "[NEW MATERIAL] DEPARTMENT GUIDANCE ON FUNDING SOURCES,  
2 BILLING AND SCREENING.--The department shall provide health  
3 care facilities and third-party health care providers with  
4 guidance on accessing available sources of funding for care  
5 that maximizes the use of funds in the following order of  
6 priority:

- 7           A. federal funds;
- 8           B. state funds; and
- 9           C. other available funds."

10           SECTION 6. A new section of Chapter 57 NMSA 1978 is  
11 enacted to read:

12           "[NEW MATERIAL] PRICE INFORMATION.--Health care facilities  
13 shall make available plain-language titles or descriptions of  
14 all health care services that can be understood by the average  
15 consumer and the relevant gross charge next to, as applicable,  
16 the amount that medicare would reimburse for all health care  
17 services. These health care facilities shall:

18           A. provide the information required in this section  
19 upon request for any health care service; and

20           B. post on the health care facility's website and  
21 make available via a link from the website's homepage the  
22 information required in this section for up to three hundred of  
23 the health care facility's most provided and billed health care  
24 services, including the seventy services specified by the  
25 federal centers for medicare and medicaid services that can be

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1 scheduled by a health care consumer in advance."

2 SECTION 7. A new section of Chapter 57 NMSA 1978 is  
3 enacted to read:

4 "[NEW MATERIAL] BILLING INFORMATION.--

5 A. All bills sent from a health care facility,  
6 third-party health care provider or medical creditor to a  
7 patient shall include a complete and plain-language description  
8 of the date, amount and nature of all charges; if the patient  
9 is verified as having health insurance; if the health care  
10 facility screened the patient for programs that assist with  
11 health care costs; and if the health care facility or  
12 third-party health care provider has billed or will bill  
13 insurance or public programs that may assist with health care  
14 costs for the services provided. Prior to initiating  
15 communication with a consumer or a collection action over  
16 medical debt, a medical debt collector shall have all billing  
17 information required in this subsection.

18 B. In all communications with a consumer about  
19 medical debt, including communication related to collection  
20 actions, a health care facility, third-party health care  
21 provider, medical creditor or medical debt collector shall  
22 inform the consumer of the availability of the information  
23 required pursuant to Subsection A of this section and offer to  
24 provide that information to the consumer."

25 SECTION 8. A new section of Chapter 57 NMSA 1978 is

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1 enacted to read:

2 "[NEW MATERIAL] RECEIPTS FOR PAYMENTS.--

3 A. Within thirty business days of receipt of a  
4 payment on a medical debt, the health care facility,  
5 third-party health care provider, medical creditor, medical  
6 debt collector or their agents receiving the payment shall send  
7 a receipt to the person who made the payment. The receipt may  
8 take the form of a billing statement. All receipts shall show:

- 9 (1) the amount paid;  
10 (2) the date payment was received;  
11 (3) the account's balance before the most  
12 recent payment;  
13 (4) the new balance after application of the  
14 payment;  
15 (5) the interest rate and interest accrued  
16 since the consumer's last payment;  
17 (6) the consumer's account number;  
18 (7) the name of the current owner of the debt  
19 and, if different, the name of the medical creditor; and  
20 (8) whether the payment is accepted as payment  
21 in full of the debt.

22 B. All health care facilities, third-party health  
23 care providers, medical creditors and medical debt collectors  
24 shall apply payments as of the date payment was received and  
25 use that date when assessing penalties or interest

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1 accumulation."

2 SECTION 9. A new section of Chapter 57 NMSA 1978 is  
3 enacted to read:

4 "[NEW MATERIAL] PROVIDING FOR PRICING PARITY.--Health care  
5 facilities and third-party health care providers shall charge  
6 for emergency or medically necessary care provided to uninsured  
7 patients an amount no greater than, as applicable, the  
8 applicable payment rate for such care pursuant to the federal  
9 medicare program if state or federal law does not otherwise set  
10 the amount the health care facility or third-party health care  
11 provider charges for such care."

12 SECTION 10. A new section of Chapter 57 NMSA 1978 is  
13 enacted to read:

14 "[NEW MATERIAL] INDIGENT CARE REPORTING REQUIREMENTS.--

15 A. Health care facilities and third-party health  
16 care providers shall annually report to the department how the  
17 following funds are used:

18 (1) indigent care funds and safety net care  
19 pool funds pursuant to the Indigent Hospital and County Health  
20 Care Act; and

21 (2) funds raised to pay the cost of operating  
22 and maintaining county hospitals, pay contracting hospitals in  
23 accordance with health care facilities contracts or pay a  
24 county's transfer to the county-supported medicaid fund  
25 pursuant to the Hospital Funding Act.

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1           B. A health care facility's or third-party health  
2 care provider's report to the department shall include:

3                   (1) the number of indigent patients whose  
4 health care costs were paid directly from the funds described  
5 in Subsection A of this section and the total amount of funds  
6 expended for these health care costs; and

7                   (2) as applicable, the health care facility's  
8 estimated annual amount and percentage of the health care  
9 facility's bad debt expense attributable to patients eligible  
10 under the health care facility's financial assistance policy  
11 and an explanation of the methodology used by the health care  
12 facility to estimate this amount and percentage.

13           C. A health care facility's or third-party health  
14 care provider's report shall be available to the public via a  
15 link from the homepage of the health care facility's or  
16 third-party health care provider's website."

17           SECTION 11. A new section of Chapter 57 NMSA 1978 is  
18 enacted to read:

19                   "[NEW MATERIAL] PRIVATE REMEDY.--

20                   A. A violation of the Patients' Debt Collection  
21 Protection Act constitutes an unfair or deceptive trade  
22 practice pursuant to the Unfair Practices Act.

23                   B. A consumer may sue for injunctive or other  
24 appropriate equitable relief to enforce the provisions of the  
25 Patients' Debt Collection Protection Act.

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1 C. The remedies provided in this section are not  
2 intended to be the exclusive remedies available to a consumer  
3 nor shall the consumer be required to exhaust any  
4 administrative remedies provided by the provisions of the  
5 Patients' Debt Collection Protection Act or other applicable  
6 law.

7 D. A financial assistance policy or agreement  
8 between a patient and a health care facility, third-party  
9 health care provider, medical creditor or medical debt  
10 collector shall not contain any provision that, prior to a  
11 dispute arising, waives or has the practical effect of waiving  
12 the rights of a patient to resolve that dispute by obtaining:

13 (1) injunctive, declaratory or other equitable  
14 relief;

15 (2) multiple or minimum damages as specified  
16 by statute;

17 (3) attorney fees and costs as specified by  
18 statute or as available at common law; or

19 (4) a hearing at which that party can present  
20 evidence in person.

21 E. A provision in a financial assistance policy or  
22 other written agreement that violates the provisions of  
23 Subsection D of this section is void and unenforceable. A  
24 court may refuse to enforce other provisions of the financial  
25 assistance policy or other written agreement as equity may

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1 require."

2 SECTION 12. A new section of Chapter 57 NMSA 1978 is  
3 enacted to read:

4 "[NEW MATERIAL] ENFORCEMENT.--

5 A. The attorney general shall enforce the  
6 provisions of the Patients' Debt Collection Protection Act and  
7 shall adopt rules in accordance with that act to provide for  
8 the protection of patients and their families and to assist  
9 market participants in interpreting that act.

10 B. The attorney general shall establish a complaint  
11 process whereby an aggrieved patient or a member of the public  
12 may file a complaint against a health care facility, third-  
13 party health care provider, medical creditor or medical debt  
14 collector that violates a provision of the Patients' Debt  
15 Collection Protection Act. All complaints shall be considered  
16 public records pursuant to the Inspection of Public Records  
17 Act, with the exception of the complainant's name, address or  
18 protected personal identifier information defined in the  
19 Inspection of Public Records Act."

20 SECTION 13. A new section of Chapter 57 NMSA 1978 is  
21 enacted to read:

22 "[NEW MATERIAL] PROHIBITION OF WAIVER OF RIGHTS.--A waiver  
23 by a patient or other consumer of any protection provided by or  
24 any right of the patient or other consumer pursuant to the  
25 Patients' Debt Collection Protection Act is void and may not be

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1 enforced by any court or any other person."

2 SECTION 14. Section 37-1-2 NMSA 1978 (being Laws 1891,  
3 Chapter 53, Section 2, as amended) is amended to read:

4 "37-1-2. JUDGMENTS.--Actions founded upon [~~any~~] a  
5 judgment of [~~any~~] a court of the state may be brought within  
6 fourteen years from the date of the judgment and not afterward.  
7 Actions founded upon [~~any~~] a judgment of [~~any~~] a court of  
8 record of [~~any other~~] another state or territory of the United  
9 States, or of the federal courts, may be brought within the  
10 applicable period of limitation within that jurisdiction, not  
11 to exceed fourteen years from the date of the judgment, and not  
12 afterward. A judgment obtained through a common law action on  
13 a prior judgment or through any other means of revival of a  
14 prior judgment shall not be enforceable after fourteen years  
15 from the date of the original judgment upon which it is  
16 founded."

17 SECTION 15. Section 61-18A-2 NMSA 1978 (being Laws 1987,  
18 Chapter 252, Section 2, as amended) is amended to read:

19 "61-18A-2. DEFINITIONS.--As used in the Collection Agency  
20 Regulatory Act:

21 A. "division" means the financial institutions  
22 division of the regulation and licensing department;

23 B. "director" means the director of the division or  
24 a duly authorized agent designated by the director;

25 C. "collection agency" means a person engaging in

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1 business for the purpose of collecting or attempting to  
2 collect, directly or indirectly, debts owed or due or asserted  
3 to be owed or due another, where such person is so engaged by  
4 two or more creditors, or a person engaging in the business the  
5 principal purpose of which is the collection of debts. The  
6 term also includes a creditor who, in the process of collecting  
7 the creditor's own debts, uses any name other than the  
8 creditor's own that would indicate that a third person is  
9 collecting or attempting to collect the debts. The term does  
10 not include:

11 (1) an officer or employee of a creditor  
12 while, in the name of the creditor, collecting debts for such  
13 creditor;

14 (2) a person while collecting debts for  
15 another person, both of whom are related by common ownership or  
16 affiliated by corporate control, if the person collects debts  
17 only for persons to whom it is so related or affiliated and if  
18 the principal business of such person is not the collection of  
19 debts;

20 (3) an officer or employee of the United  
21 States, a state or a political subdivision thereof to the  
22 extent that collecting or attempting to collect a debt is in  
23 the performance of official duties;

24 (4) a person while serving or attempting to  
25 serve legal process on any other person in connection with the

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1 judicial enforcement of a debt;

2 (5) a nonprofit organization that, at the  
3 request of debtors, performs bona fide consumer credit  
4 counseling and assists debtors in the liquidation of their  
5 debts by receiving payments from such debtors and distributing  
6 such amounts to creditors;

7 (6) an attorney-at-law collecting a debt as an  
8 attorney on behalf of and in the name of a client; or

9 (7) a person collecting or attempting to  
10 collect a debt owed or due or asserted to be owed or due to  
11 another to the extent such activity:

12 (a) is incidental to a bona fide  
13 fiduciary obligation or a bona fide escrow arrangement;

14 (b) concerns a debt that was originated  
15 by such person;

16 (c) concerns a debt that was not in  
17 default at the time it was obtained by such person; or

18 (d) concerns a debt obtained by such  
19 person as a secured party in a commercial credit transaction  
20 involving the creditor;

21 D. "communication" means the conveying of  
22 information regarding a debt directly or indirectly to a person  
23 through any medium;

24 E. "creditor" means a person who offers or extends  
25 credit creating a debt or to whom a debt is owed, but the term

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1 does not include a person to the extent that the person  
2 receives an assignment or transfer of a debt in default solely  
3 for the purpose of facilitating collection of such debt for  
4 another;

5 F. "debt" means an obligation or alleged obligation  
6 of a debtor to pay money arising out of a transaction in which  
7 the money, property, insurance or services that are the subject  
8 of the transaction are primarily for personal, family or  
9 household purposes, whether or not such obligation has been  
10 reduced to judgment;

11 G. "debt collector" means a collection agency, a  
12 reposessor, a manager, a solicitor and an attorney-at-law  
13 collecting a debt as an attorney on behalf of and in the name  
14 of a client;

15 H. "debtor" means a natural person obligated or  
16 allegedly obligated to pay a debt;

17 I. "location information" means a debtor's place of  
18 abode and the telephone number at such place or the debtor's  
19 place of employment;

20 J. "manager" means a natural person who qualifies  
21 under the Collection Agency Regulatory Act to be in full-time  
22 charge of a licensed collection agency and to whom a manager's  
23 license has been issued by the director;

24 K. "nationwide multistate licensing system and  
25 registry" means a licensing system developed and maintained by

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1 the conference of state bank supervisors and the American  
2 association of residential mortgage regulators pursuant to the  
3 federal Secure and Fair Enforcement for Mortgage Licensing Act  
4 of 2008 to manage mortgage licenses and other financial  
5 services licenses, or a successor registry;

6 L. "person" means an individual, corporation,  
7 partnership, association, joint-stock company, trust where the  
8 interests of the beneficiaries are evidenced by a security,  
9 unincorporated organization, government or political  
10 subdivision of a government;

11 M. "repossessor" means a person engaged solely in  
12 the business of repossessing personal property for others for a  
13 fee. The term does not include a duly licensed collection  
14 agency; and

15 N. "solicitor" means a natural person who, through  
16 lawful means, communicates with debtors or solicits the payment  
17 of debts for a collection agency licensee by the use of  
18 telephone, personal contact, letters or other methods of  
19 collection conducted from and within the licensee's office."

20 SECTION 16. Section 61-18A-6 NMSA 1978 (being Laws 1987,  
21 Chapter 252, Section 6) is amended to read:

22 "61-18A-6. PENALTY FOR VIOLATIONS.--

23 A. In addition to any other penalty, ~~[any]~~ a  
24 person, ~~[or any]~~ including an officer or director of ~~[any]~~ a  
25 partnership, corporation or association conducting business as

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1 a collection agency or reposessor who, without first having  
2 been licensed pursuant to the Collection Agency Regulatory Act,  
3 [~~or who~~] carries on such business after the revocation or  
4 expiration of [~~any~~] the person's license [~~which~~] that the  
5 director has refused to renew is guilty of a fourth degree  
6 felony.

7 B. [~~Any~~] A person violating any other provision of  
8 [~~that~~] the Collection Agency Regulatory Act is guilty of a  
9 misdemeanor.

10 C. A violation of the Collection Agency Regulatory  
11 Act constitutes an unfair or deceptive trade practice pursuant  
12 to the Unfair Practices Act."

13 SECTION 17. Section 61-18A-15 NMSA 1978 (being Laws 1987,  
14 Chapter 252, Section 15) is amended to read:

15 "61-18A-15. SURETY BOND.--

16 A. Prior to the issuance of any collection agency  
17 or reposessor's license or renewal thereof, a surety bond in  
18 the penal sum of [~~five thousand dollars (\$5,000)~~] twenty  
19 thousand dollars (\$20,000), which may by [~~regulation~~] rule or  
20 order of the director be increased, shall be filed with the  
21 division. The bond shall run to the people of the state of New  
22 Mexico and shall be executed and acknowledged by the applicant  
23 as principal and by a corporation [~~which~~] that is licensed by  
24 the superintendent of insurance [~~of this state~~] to transact the  
25 business of fidelity and surety insurance as surety.

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1           B. The surety bond shall provide for suit thereon  
2 by any person who has a cause of action under the Collection  
3 Agency Regulatory Act or rules [~~and regulations~~] established  
4 [~~thereunder~~] under that act.

5           C. No action shall be brought upon any bond after  
6 the expiration of three years from the date of the occurrence  
7 of the act upon which a claim is based.

8           D. The bond shall be continuous in form and remain  
9 in full force and effect concurrently with the license and any  
10 renewals thereof unless terminated or canceled by action of the  
11 surety as provided in the Collection Agency Regulatory Act.

12           E. Upon the filing of thirty days' written notice  
13 with the director by any surety company of its withdrawal as  
14 the surety of any licensee, the director shall [~~forthwith~~]  
15 immediately give notice to the licensee of the withdrawal,  
16 which notice shall be by certified mail with request for return  
17 receipt and shall be addressed to the licensee at its main  
18 office in New Mexico as shown by the records of the director.  
19 The license of any licensee shall be void upon the termination  
20 of the bond by the surety company unless, prior to termination,  
21 a new bond has been filed with the division.

22           F. Should the license of any company to transact  
23 fidelity and surety insurance business in this state be  
24 canceled, revoked or otherwise terminated, all collection  
25 agency bonds for which such surety company is surety are

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1 thereupon and thereby canceled. Upon such cancellation, the  
2 license of any licensee having such a bond posted is suspended  
3 and shall remain suspended until a new and valid bond is filed;  
4 provided, however, that failure of any such licensee to file a  
5 new bond within thirty days after being advised by the director  
6 in writing of the necessity of doing so shall ipso facto revoke  
7 the license."

8 SECTION 18. Section 61-18A-26 NMSA 1978 (being Laws 1987,  
9 Chapter 252, Section 26) is amended to read:

10 "61-18A-26. ASSIGNMENTS--RIGHT TO SUE.--Nothing in the  
11 Collection Agency Regulatory Act shall be construed to prevent  
12 collection agencies from taking assignments of claims in their  
13 own name as real parties in interest for the purpose of billing  
14 and collection and bringing suit in their own names [~~thereon~~];  
15 provided that no suit [~~authorized~~] allowed by this section may  
16 be instituted on behalf of a collection agency in [~~any~~] a court  
17 unless the collection agency appears by a duly authorized and  
18 licensed attorney-at-law. [~~In such suit, the court may, in its~~  
19 ~~discretion, authorize payment of reasonable attorney fees and~~  
20 ~~costs to the prevailing party.]"~~

21 SECTION 19. SEVERABILITY.--If any part or application of  
22 the Patients' Debt Collection Protection Act is held invalid,  
23 the remainder or its application to other situations or persons  
24 shall not be affected.

25 SECTION 20. EFFECTIVE DATE.--The effective date of the  
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1 provisions of this act is July 1, 2021.

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underscoring material = new  
[bracketed material] = delete

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