

LFC Requester:

Julisa Rodriguez

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: _____ *Check all that apply:*

Bill Number: SB124 Original Correction
Amendment Substitute

Sponsor: Senator Katy M. Duhigg **Agency Name and Code Number:** Office of Superintendent of Insurance - 440
Short Title: SUPERINTENDENT OF INSURANCE SUBPOENAS **Person Writing Phone:** Timothy Vigil
Email: Timothy.vigil@osi.nm

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0	\$0	N/A	N/A

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	\$0	\$0	N/A	N/A

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0	\$0	\$0	\$0	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

SB124 amends the insurance code regarding the powers of the New Mexico Superintendent of Insurance. The bill expressly provides that the Superintendent may issue civil investigative subpoenas prior to the issuance of a notice to show cause or notice of contemplated action.

FISCAL IMPLICATIONS

None

SIGNIFICANT ISSUES

An increasing number of companies are refusing to respond to OSI data calls and other requests for information. Failure to voluntarily provide the requested information limits the ability of OSI to determine whether the insurers are providing the mandated insurance coverages to the residents of New Mexico or are engaging in conduct that is contrary to the Insurance Code. In addition, OSI occasionally finds it necessary to investigate entities that are engaging in the business of without a certificate of authority, are selling an unapproved product or obtain information from third parties that is necessary to review the actions of regulated entities. SB124 will greatly enhance the OSI's ability to obtain this crucial information from regulated entities, those entities that are acting outside of the regulatory scheme, and third parties to allow the OSI to adequately perform its regulatory functions.

Through SB 124, the Superintendent will have identical powers granted to similar agencies, boards and commissions. The language of the bill mirrors the powers already granted to other agencies in the New Mexico Uniform Licensing Act.

PERFORMANCE IMPLICATIONS

As noted in the Significant Issues summary, this bill will enhance OSI's ability to perform its statutory duties.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The Civil Investigations Bureau relies on data to evaluate market trends and determine potential violations of statute. Without subpoena power, OSI may not be able to obtain crucial information from the insurance industry and those entities that are engaging in the business of without a certificate of authority or are selling an unapproved product. The lack of such information will hinder the ability of OSI's Civil Investigations Bureau to adequately investigate and prosecute violations of the New Mexico Insurance Code.

AMENDMENTS

None.