

AN ACT

RELATING TO TITLE INSURANCE; PROVIDING AUTHORITY TO THE SUPERINTENDENT OF INSURANCE TO DETERMINE TITLE INSURER ASSESSMENTS; AMENDING A SECTION OF THE NMSA 1978.

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

Section 1. Section 59A-16C-14 NMSA 1978 (being Laws 1998, Chapter 115, Section 14) is amended to read:

"59A-16C-14. INSURANCE FRAUD FUND CREATED--
APPROPRIATION.--

A. There is created an "insurance fraud fund" in the state treasury. All fees collected under the provisions of the Insurance Fraud Act shall be deposited in the fund and are subject to appropriation for use in paying the expenses incurred by the superintendent in carrying out the provisions of the Insurance Fraud Act. Interest on the fund shall be credited to the fund. The fund is a continuing, nonreverting fund.

B. To implement the provisions of the Insurance Fraud Act, the superintendent shall determine a rate of assessment and collect a fee from authorized insurers in an amount not less than two hundred dollars (\$200) and not exceeding one-tenth of one percent of the correctly reported direct written premiums on policies written in New Mexico by the authorized insurers. The superintendent, after taking into account unexpended money produced by collection of the fee, shall adjust the rate of assessment each year to produce the amount of money that he estimates will be necessary to pay expenses incurred by the superintendent in carrying out the provisions of the Insurance Fraud Act. The

assessment for a title insurer, as defined in Section 59A-30-3 NMSA 1978, shall be determined by the superintendent at the annual hearing conducted pursuant to Section 59A-30-8 NMSA 1978.

C. In calculating the direct written premiums for an insurer pursuant to the provisions of this section, all direct written premiums for workers' compensation insurance shall be excluded from the calculation.

D. The fees required by this section are in addition to all other taxes and fees now imposed or that may be subsequently imposed." _____