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SENATE BILL 508

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Mark Boitano

AN ACT

RELATING TO REAL ESTATE LICENSEES; CHANGING CERTAIN PROVISIONS  
FOR LICENSING, FEES AND MISCONDUCT OF LICENSEES; ELIMINATING  
THE SALESPERSON CATEGORY OF REAL ESTATE LICENSURE; PROVIDING  
FOR THE TRANSITION OF SALESPERSONS TO ASSOCIATE BROKERS;  
AMENDING THE REAL ESTATE RECOVERY FUND ACT.

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

Section 1. Section 61-29-1 NMSA 1978 (being Laws 1959,  
Chapter 226, Section 1, as amended) is amended to read:

"61-29-1. PROHIBITION. -- ~~[ It is unlawful for any ]~~ No  
person ~~[ business association or corporation to ]~~ may engage in  
the business of, act in the capacity of, advertise ~~[ or ]~~,  
display in any manner or ~~[ otherwise ]~~ assume to engage in the  
business of or act as a real estate broker ~~[ or real estate~~  
~~salesman within ]~~ in this state without a license issued by the

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1 ~~[New Mexico real estate]~~ commission. "

2 Section 2. Section 61-29-2 NMSA 1978 (being Laws 1959,  
3 Chapter 226, Section 2, as amended) is amended to read:

4 "61-29-2. DEFINITIONS AND EXCEPTIONS. - -

5 A. ~~[A real estate]~~ As used in Chapter 61, Article  
6 29 NMSA 1978:

7 (1) "associate broker" ~~[within the meaning of~~  
8 ~~Chapter 61, Article 29 NMSA 1978, is]~~ means a person ~~[business~~  
9 ~~association or corporation]~~ who for ~~[a salary, fee, commission~~  
10 ~~or valuable]~~ compensation or other consideration ~~[lists, sells~~  
11 ~~or offers for sale, buys or offers to buy or negotiates the~~  
12 ~~purchase or sale or exchange of real estate or who leases or~~  
13 ~~offers to lease, or rents or offers for rent or auctions or~~  
14 ~~offers or attempts or agrees to auction real estate or who~~  
15 ~~buys or offers to buy, sell or offers to sell or otherwise~~  
16 ~~deals in options on real estate or advertises or holds himself~~  
17 ~~out as being engaged in the business of buying, selling,~~  
18 ~~exchanging, renting, leasing, auctioning or dealing with~~  
19 ~~options on any real estate or the improvement thereon for~~  
20 ~~others, as a whole or partial vocation. The term "broker"~~  
21 ~~also includes any person employed by or on behalf of the owner~~  
22 ~~of real estate to conduct the sale, leasing or other~~  
23 ~~disposition thereof at a salary or fee, commission or any~~  
24 ~~other consideration. It also includes any person who engages~~  
25 ~~in the business of charging an advance fee or contracting for~~

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1 ~~collection of a fee in connection with any contract whereby he~~  
2 ~~undertakes primarily to promote the sale of real estate~~  
3 ~~through its listing in a publication issued primarily for such~~  
4 ~~purpose or for referral of information concerning such real~~  
5 ~~estate to brokers, or both. The term] is associated with or~~  
6 engaged under contract by a qualifying broker to participate  
7 in an activity described in Subparagraph (a) or (b) of  
8 Paragraph (4) of this subsection or to carry on the qualifying  
9 broker's business as a whole or partial vocation;

10 (2) "commission" means the New Mexico real  
11 estate commission created pursuant to Section 61-29-4 NMSA  
12 1978;

13 (3) "license" means a real estate broker's  
14 license issued by the commission;

15 (4) "qualifying broker" means a person who:

16 (a) for consideration from another,  
17 lists, sells or offers to sell real estate; buys or offers to  
18 buy real estate; or negotiates the purchase, sale or exchange  
19 of real estate or options on real estate;

20 (b) leases, rents or auctions or offers  
21 to lease, rent or auction real estate;

22 (c) advertises or holds himself out as  
23 being engaged in the business of buying, selling, exchanging,  
24 renting, leasing, auctioning or dealing with options on real  
25 estate for others as a whole or partial vocation; or

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1                                    (d) engages in the business of charging  
2 an advance fee or contracting for collection of a fee in  
3 connection with a contract under which he undertakes primarily  
4 to promote the sale of real estate through its listing in a  
5 publication issued primarily for that purpose or for the  
6 purpose of referral of information concerning real estate to  
7 brokers;

8                                    (e) has been licensed and actively  
9 engaged in the real estate business for at least three years;

10                                   (f) is a licensed real estate  
11 qualifying broker who has qualified as an individual  
12 proprietorship, a corporation, partnership or association to  
13 do business as a real estate brokerage in the state of New  
14 Mexico, or qualifying broker employed by the owner of a real  
15 estate business;

16                                   (g) is responsible for all activity  
17 within a real estate office or branch office;

18                                   (h) is responsible for the supervision  
19 of any associate broker who is licensed with him transacting  
20 real estate business described in Chapter 61, Article 29-2,  
21 NMSA 1978;

22                                   (i) is responsible for trust accounts  
23 and trust account records; and

24                                   (j) assures compliance with all  
25 licensing laws, rules and regulations pertaining to office

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1 location and advertising;

2 (5) "real estate" [~~as used in Chapter 61,~~  
3 ~~Article 29 NMSA 1978, shall include~~] includes leaseholds and  
4 other interest less than leaseholds, including rights to use  
5 property. [~~Resident managers of apartment buildings are not~~  
6 ~~required to be licensed, provided they do not carry on any~~  
7 ~~other real estate activity and do not serve as a resident~~  
8 ~~manager for more than one employer.~~

9 B. ~~A real estate "salesperson", within the meaning~~  
10 ~~of Chapter 61, Article 29 NMSA 1978, is any person who for a~~  
11 ~~compensation or valuable consideration is associated with or~~  
12 ~~engaged under contract either directly or indirectly by or on~~  
13 ~~behalf of a licensed broker to participate in any activity~~  
14 ~~included in Subsection A of this section or in the pursuance~~  
15 ~~of such broker's business, as a whole or partial vocation.~~

16 C. ~~Any one~~] B. A single act of a person [~~business~~  
17 ~~association or corporation~~] in performing or attempting to  
18 perform an activity [~~set forth~~] described in Subparagraphs (a)  
19 through (d) of Paragraph (4) of Subsection A of this section  
20 [~~shall constitute~~] constitutes the person [~~business~~  
21 ~~association or corporation a real estate~~] a qualifying broker  
22 [~~or real estate salesperson~~]. A single act of a person in  
23 performing or attempting to perform an activity described in  
24 Paragraph (4) of Subsection A of this section constitutes the  
25 person an associate broker.

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1                    ~~[D.]~~ C. The provisions of Chapter 61, Article 29  
2 NMSA 1978 ~~[shall]~~ do not apply to ~~[be construed to include,~~  
3 ~~held to include or apply to]~~:

4                    (1) ~~[any]~~ a person ~~[business association or~~  
5 ~~corporation]~~ who as owner or lessor performs any of the  
6 activities included in this section with reference to property  
7 owned or leased by him and the employees of the owner or  
8 lessor, ~~[or the employees of a real estate broker acting on~~  
9 ~~behalf of the owner or lessor, with respect to the property~~  
10 ~~owned or leased, where]~~ if the acts are performed in the  
11 regular course of or incident to the management of the  
12 property and the investments, except ~~[where]~~ when the sale or  
13 offering for sale or the lease or offering for lease of the  
14 property constitutes a subdivision containing one hundred or  
15 more parcels;

16                    (2) isolated or sporadic transactions not  
17 exceeding two transactions annually ~~[where]~~ in which a person  
18 acts as attorney-in-fact under a duly executed power of  
19 attorney delivered by an owner authorizing the person to  
20 finally consummate and to perform under any contract the sale,  
21 leasing or exchange of real estate on behalf of the owner; and  
22 the owner or attorney-in-fact have not used a power of  
23 attorney for the purpose of evading the provisions of Chapter  
24 61, Article 29 NMSA 1978;

25                    (3) transactions ~~[where]~~ in which a person

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1 acts as attorney-in-fact under a duly executed power of  
2 attorney delivered by an owner related to the attorney-in-fact  
3 [~~by up to~~] within the fourth degree of consanguinity or  
4 closer, authorizing the person to finally consummate and to  
5 perform under any contract for the sale, leasing or exchange  
6 of real estate on behalf of the owner;

7 (4) the services rendered by an attorney at  
8 law in the performance of his duties as an attorney at law;

9 (5) a person acting in the capacity of a  
10 receiver, trustee in bankruptcy, administrator or executor, a  
11 person selling real estate pursuant to an order of any court  
12 or a trustee acting under a trust agreement, deed of trust or  
13 will or the regular salaried employee of a trustee;

14 (6) the activities of a salaried employee of  
15 a governmental agency acting within the scope of his  
16 employment; or

17 (7) persons who deal exclusively in mineral  
18 leases or the sale or purchase of mineral rights or royalties  
19 in any case in which the fee to the land or the surface rights  
20 are in no way involved in the transaction. "

21 Section 3. Section 61-29-4 NMSA 1978 (being Laws 1959,  
22 Chapter 226, Section 3, as amended) is amended to read:

23 "61-29-4. CREATION OF COMMISSION-- POWERS AND DUTIES. --  
24 [~~There is created~~]

25 A. The New Mexico real estate commission [ ~~called~~

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1 ~~"the commission"~~ in Chapter 61, Article 29 NMSA 1978] is  
2 created. The commission [~~shall be appointed by the governor~~  
3 ~~and shall consist~~] consists of five members [~~who shall have~~  
4 ~~been~~] appointed by the governor. Members must have been  
5 residents of the state for three consecutive years immediately  
6 prior to their appointment. Four [~~of whom shall have been~~  
7 ~~real estate~~] shall be qualifying brokers licensed in New  
8 Mexico and one [~~of whom~~] shall be a [~~member of the public~~]  
9 natural person who has never been licensed [~~as a real estate~~  
10 ~~broker or salesperson provided~~] pursuant to Chapter 61,  
11 Article 29 NMSA 1978. Not more than one member [~~shall~~] may be  
12 from [~~any~~] one county [~~within the state~~]. The members of the  
13 commission shall serve for a period of five years or until  
14 their successors are appointed and qualified. Members  
15 appointed to fill vacancies shall [~~be appointed~~] serve for  
16 [~~any~~] the unexpired term. The governor may remove any member  
17 for cause.

18 B. The commission [~~shall possess all~~] has the  
19 powers and [~~perform all the~~] duties prescribed by Chapter 61,  
20 Article 29 NMSA 1978 and [~~as otherwise provided~~] prescribed by  
21 [~~law, and~~] other laws. It [~~is expressly vested with~~] has the  
22 power [~~and authority~~] to make and enforce [~~any~~] rules [~~and~~  
23 ~~regulations~~] to carry out the provisions of [~~that article~~]  
24 Chapter 61, Article 29 NMSA 1978. Prior to [~~any~~] final action  
25 on any proposed changes or amendments to the rules [~~and~~



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1 ~~regulations~~] of the commission, the commission [ ~~may~~] shall  
2 publish notice of the proposed action in its official  
3 publication, distribute the publication to each active  
4 licensee and give the time and place for a public hearing on  
5 the proposed changes. The hearing shall be held at least  
6 thirty days prior to any proposed final action. Any changes  
7 or amendments to the rules [ ~~and regulations~~] shall be filed  
8 [ ~~in accordance with the procedures of~~] pursuant to the State  
9 Rules Act and shall become effective thirty days after  
10 [ ~~notification to all active licensees of the~~] filing [ ~~of the~~  
11 ~~changes or amendments~~] with the state records center. The  
12 commission ~~may~~ employ any staff it deems necessary to assist  
13 in carrying out its duties and in keeping its records. "

14 Section 4. Section 61-29-4.1 NMSA 1978 (being Laws 1985,  
15 Chapter 89, Section 1, as amended) is amended to read:

16 "61-29-4.1. ADDITIONAL POWERS OF COMMISSION--CONTINUING  
17 EDUCATION PROGRAMS--MINIMUM REQUIREMENTS.-- [ ~~In addition to the~~  
18 ~~powers and duties granted the commission under the provisions~~  
19 ~~of Section 61-29-4 NMSA 1978~~] The commission shall adopt  
20 [ ~~regulations~~] rules providing for continuing educational  
21 programs that offer courses in selling, leasing or managing  
22 residential, commercial and industrial property as well as  
23 courses reviewing basic real estate law and practice. The  
24 [ ~~regulations~~] rules shall require that every licensee except  
25 licensees who are sixty-five years of age or older and who

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1 have a minimum of twenty [~~years'~~] years of continuously  
2 licensed experience in the selling, leasing or ~~managing~~ of  
3 real property, as a condition of his license renewal, shall  
4 successfully complete thirty [~~classroom~~] credit hours of  
5 instruction every three years in courses approved by the  
6 commission. The [~~regulations~~] rules shall prescribe areas of  
7 specialty or expertise and may require that a certain part of  
8 the thirty credit hours of classroom instruction be devoted to  
9 courses in the area of a licensee's specialty or expertise."

10 Section 5. Section 61-29-5 NMSA 1978 (being Laws 1959,  
11 Chapter 226, Section 4) is amended to read:

12 "61-29-5. ORGANIZATION OF COMMISSION. -- The commission  
13 shall organize by electing a president, vice president and  
14 secretary from its members. A majority of the commission  
15 [~~shall constitute~~] constitutes a quorum and may exercise all  
16 powers and duties devolving upon it and do all things  
17 necessary to carry into effect the provisions of [~~this act~~]  
18 Chapter 61, Article 29 NMSA 1978. The [~~secretary of the~~]  
19 commission shall keep a record of its proceedings, a register  
20 of persons licensed as [~~real estate~~] qualifying brokers and  
21 [~~as real estate salesmen~~] associate brokers, showing the name,  
22 place of business of each and the date and number of his [~~or~~  
23 ~~her certificate~~] license and a record of all licenses [~~or~~  
24 ~~certificates~~] issued, refused, [~~removed~~] suspended or revoked.  
25 This record shall be open to public inspection at all

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1 reasonable times."

2 Section 6. Section 61-29-7 NMSA 1978 (being Laws 1959,  
3 Chapter 226, Section 6, as amended) is amended to read:

4 "61-29-7. REIMBURSEMENT AND EXPENSES. -- Each member of  
5 the commission shall receive per diem and mileage as provided  
6 in the Per Diem and Mileage Act and shall receive no other  
7 compensation, perquisite or allowance. The commission may  
8 select and appoint an administrator, who shall serve as  
9 executive secretary to the commission on annual salary, to  
10 perform the duties prescribed by [~~this act~~] Chapter 61,  
11 Article 29 NMSA 1978 and such additional duties as the  
12 commission may determine. The commission may employ  
13 subordinate officers, stenographers, clerks, an attorney and  
14 such other assistance as may be needed and fix their  
15 compensation to be paid from the real estate commission fund  
16 and [~~to~~] purchase such supplies, equipment and records and  
17 [~~to~~] incur such other expenses as may be necessary to carry  
18 out the provisions of [~~this act~~] Chapter 61, Article 29 NMSA  
19 1978."

20 Section 7. Section 61-29-8 NMSA 1978 (being Laws 1959,  
21 Chapter 226, Section 7, as amended) is amended to read:

22 "61-29-8. LICENSE FEES [~~DISPOSITION~~]. --

23 A. [~~The following fees shall be charged by the~~  
24 ~~commission and paid into the real estate commission fund:~~

25 (1) ~~for each examination, a fee of sixty~~

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1 ~~dollars (\$60.00);~~

2 ~~(2) for each broker's license issued, a fee~~  
3 ~~of one hundred eighty dollars (\$180) and for each renewal~~  
4 ~~thereof, a fee of one hundred eighty dollars (\$180);~~

5 ~~(3) for each salesperson's license issued, a~~  
6 ~~fee of one hundred eighty dollars (\$180) and for each renewal~~  
7 ~~thereof, a fee of one hundred eighty dollars (\$180);~~

8 ~~(4) subject to the provisions of Paragraph~~  
9 ~~(11) of this subsection for each change of place of business~~  
10 ~~or change of employer or contractual associate, a fee of~~  
11 ~~twenty dollars (\$20.00);~~

12 ~~(5) for each duplicate license, where the~~  
13 ~~license is lost or destroyed and affidavit is made thereof, a~~  
14 ~~fee of twenty dollars (\$20.00);~~

15 ~~(6) for each license history, a fee of~~  
16 ~~twenty-five dollars (\$25.00);~~

17 ~~(7) for copying of documents by the~~  
18 ~~commission, a fee set by the commission not to exceed one~~  
19 ~~dollar (\$1.00) per copy;~~

20 ~~(8) for each additional license law and rules~~  
21 ~~and regulations booklet, a fee set by the commission not to~~  
22 ~~exceed ten dollars (\$10.00) per booklet;~~

23 ~~(9) for each additional directory of licensed~~  
24 ~~real estate brokers and salespersons, a fee set by the~~  
25 ~~commission not to exceed twenty dollars (\$20.00);~~

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1                   (10) ~~for each supplement to the directory of~~  
2 ~~licensed real estate brokers and salespersons, a fee set by~~  
3 ~~the commission not to exceed twenty dollars (\$20.00); and~~

4                   (11) ~~when a license must be reissued for a~~  
5 ~~salesperson because of change of address of the licensed~~  
6 ~~broker's office, death of the licensed broker when a successor~~  
7 ~~licensed broker is replacing the decedent and the salesperson~~  
8 ~~remains in the office or change of name of the office or the~~  
9 ~~entity of the licensed broker, the licensed broker or~~  
10 ~~successor licensed broker as the case may be shall pay to the~~  
11 ~~commission as the affected salesperson's license reissue fee~~  
12 ~~twenty dollars (\$20.00), but if there are eleven or more~~  
13 ~~affected salespersons in the licensed broker's office, the~~  
14 ~~total fee paid to effect reissuance of all of those licenses~~  
15 ~~shall not exceed two hundred dollars (\$200).~~

16                   B.] All fees [set] charged by the commission shall  
17 be set by rule [or regulation and only after all requirements  
18 have been met as prescribed by Chapter 61, Article 29 NMSA  
19 1978. Any changes or amendments to the rules and regulations  
20 shall be filed in accordance with the provisions of the State  
21 Rules Act.

22                   C. The commission shall deposit all money received  
23 by it from fees in accordance with the provisions of Chapter  
24 61, Article 29 NMSA 1978 with the state treasurer, who shall  
25 keep that money in a separate fund to be known as the "real

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1 ~~estate commission fund", and money so deposited in that fund~~  
2 ~~is appropriated for the purpose of carrying out the provisions~~  
3 ~~of Chapter 61, Article 29 NMSA 1978 or to maintain the real~~  
4 ~~estate recovery fund as required by the Real Estate Recovery~~  
5 ~~Fund Act and shall be paid out of the fund upon the vouchers~~  
6 ~~of the president and secretary of the commission; provided~~  
7 ~~that the total fees and charges collected and paid into the~~  
8 ~~state treasury and any money so deposited shall be expended~~  
9 ~~only for the purposes authorized by Chapter 61, Article 29~~  
10 ~~NMSA 1978.] but no fee shall exceed two hundred dollars~~  
11 ~~(\$200).~~

12 ~~[D.]~~ B. The commission shall by ~~[regulation]~~ rule  
13 provide for a proportionate refund of the license issuance fee  
14 or the license renewal fee if the license is issued or renewed  
15 for a period of ~~[two or]~~ three years pursuant to Section  
16 61-29-11 NMSA 1978 and is terminated with more than one year  
17 remaining. "

18 Section 8. Section 61-29-9 NMSA 1978 (being Laws 1959,  
19 Chapter 226, Section 8, as amended) is amended to read:

20 "61-29-9. QUALIFICATIONS FOR LICENSE. --

21 A. Licenses shall be granted only to persons who  
22 are deemed by the commission to be of good repute and  
23 competent to transact the business of a real estate broker ~~[ or~~  
24 ~~salesperson in such]~~ in a manner ~~[as to]~~ that will safeguard  
25 the interests of the public.

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1           B. ~~[Each]~~ An applicant for a qualifying broker's  
2 license shall be a legal resident of the United States, have  
3 reached the age of majority and ~~[ have been an actual bona~~  
4 ~~fade]~~ be a resident of New Mexico ~~[ for six months next~~  
5 ~~preceding the filing of application. Each]~~ at the time of  
6 application for licensing. In addition to passing the state  
7 broker's exam, an applicant for a ~~[ real estate]~~ qualifying  
8 broker's license shall:

9                   (1) have ~~[performed]~~ been actively ~~[as a]~~  
10 engaged in the real estate ~~[ salesperson in New Mexico]~~  
11 business for at least ~~[ twenty-four months out of the preceding~~  
12 ~~thirty-six months immediately prior to filing application]~~  
13 three years as a licensed associate broker and shall furnish  
14 the commission a certificate that he has completed  
15 successfully ~~[ ninety classroom hours of instruction in basic~~  
16 ~~real estate courses]~~ a broker basics course approved by the  
17 commission;

18                   ~~[(2) furnish the commission a certificate~~  
19 ~~that he has completed successfully one hundred eighty~~  
20 ~~classroom hours of instruction in basic real estate courses~~  
21 ~~approved by the commission;~~

22                   ~~(3)]~~ (2) furnish the commission a  
23 certificate that he is a duly licensed real estate broker in  
24 good standing in another state, providing he has completed  
25 successfully ~~[ ninety]~~ sixty classroom hours of instruction in

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1 basic real estate courses approved by the commission; or  
2 [~~(4)~~] (3) furnish the commission satisfactory  
3 proof of his equivalent experience in an activity closely  
4 related to or associated with real estate and furnish the  
5 commission a certificate that he has completed successfully  
6 [~~ninety~~] sixty classroom hours of instruction in basic real  
7 estate courses approved by the commission.

8 C. [~~Each~~] An applicant for [~~a salesperson's~~] an  
9 associate broker's license shall be a legal resident of the  
10 United States, have reached the age of majority and be a  
11 resident of New Mexico [~~preceding the filing of~~] at the time  
12 of application [~~and~~] for licensing. As a prerequisite for  
13 licensing, an applicant shall furnish the commission a  
14 certificate that he has completed successfully [~~sixty~~] one  
15 hundred twenty hours of classroom [~~hours of~~] pre-licensing  
16 instruction in basic real estate courses approved by the  
17 commission.

18 D. The commission shall require [~~such~~] the  
19 information [~~as~~] it [~~may deem~~] deems necessary from every  
20 applicant to determine his honesty, trustworthiness and  
21 competency. Corporations, partnerships or associations [~~shall~~  
22 ~~be entitled to~~] may hold a broker's license issued in the name  
23 of the corporation, partnership or association [~~provided~~] if  
24 at least one member of the partnership or association, or one  
25 officer or employee of a corporation, who actively engages in



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1 the real estate business first secures a qualifying broker's  
2 license. Such license shall be issued in the name of the  
3 corporation, partnership or association, naming the partner,  
4 associate, officer or ~~employee~~ as qualifying broker for the  
5 corporation, partnership or association. "

6 Section 9. Section 61-29-10 NMSA 1978 (being Laws 1959,  
7 Chapter 226, Section 9, as amended) is amended to read:

8 "61-29-10. APPLICATION FOR LICENSE AND EXAMINATION. --

9 A. All applications for licenses [~~to act as real~~  
10 ~~estate brokers and real estate salesmen~~] shall be made in  
11 writing to the [~~New Mexico real estate~~] commission and shall  
12 contain such data and information as may be required upon a  
13 form to be prescribed and furnished by the commission. [Such]  
14 The applications shall be accompanied by:

15 (1) the recommendation of two reputable  
16 citizens who own real estate in the county in which the  
17 applicant resides or has his place of business, which  
18 recommendation shall certify that the applicant is of good  
19 moral character, honest and trustworthy; and

20 (2) the [~~annual~~] triennial license fee  
21 prescribed by the commission [~~which shall not be refunded in~~  
22 ~~any event~~].

23 B. In addition to proof of honesty,  
24 trustworthiness and good reputation, [each] an applicant shall  
25 pass satisfactorily a written examination prepared by or under

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1 the supervision of the commission. The examination shall be  
2 given at [~~such~~] the time and [~~such~~] places within the state as  
3 the commission shall prescribe; however, the license  
4 examination [~~for brokers~~] shall be given not less than two  
5 times during each calendar year [~~and the examination for~~  
6 ~~salesmen shall be given not less than six times during each~~  
7 ~~calendar year~~]. The examination [~~for a broker's license~~]  
8 shall include business ethics, writing, composition,  
9 arithmetic, elementary principles of land economics and  
10 appraisals, a general knowledge of the statutes of this state  
11 relating to deeds, mortgages, contracts of sale, agency and  
12 brokerage and the provisions of Sections 61-29-1 through  
13 61-29-18 NMSA 1978. [~~The examination for a broker's license~~  
14 ~~shall be of a more exacting nature and scope and more~~  
15 ~~stringent than the examination for a salesman's license.~~]

16 C. No applicant is permitted to engage in the real  
17 estate business [~~either as a broker or salesman~~] until he has  
18 satisfactorily passed the examination, complied with the other  
19 requirements of Sections 61-29-1 through 61-29-18 NMSA 1978,  
20 and until a license has been issued to him.

21 D. Notice of passing or failing to pass the  
22 examination shall be given by the commission to [~~each~~] an  
23 applicant not later than three weeks following the date of the  
24 examination.

25 E. The commission may establish educational

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1 programs and procure qualified personnel, facilities and  
2 materials for the instruction of persons desiring to become  
3 ~~[real-estate]~~ licensed qualifying brokers or ~~[salesmen]~~  
4 licensed associate brokers or desiring to improve their  
5 proficiency as ~~[real-estate]~~ licensed qualifying brokers or  
6 ~~[salesmen]~~ licensed associate brokers. The commission may  
7 inspect and accredit educational programs and courses of study  
8 and may establish standards of accreditation for educational  
9 programs conducted in this state. The expenses incurred by  
10 the commission in activities ~~[enabled-under]~~ authorized  
11 pursuant to the provisions of this subsection shall not exceed  
12 the total revenues received and accumulated by the  
13 commission. "

14 Section 10. Section 61-29-11 NMSA 1978 (being Laws 1959,  
15 Chapter 226, Section 10, as amended) is amended to read:

16 "61-29-11. ISSUANCE, RENEWAL AND SURRENDER OF  
17 LICENSES. --

18 A. The commission shall issue to each qualified  
19 applicant a ~~[permanent]~~ license in ~~[such]~~ a form and size ~~[as~~  
20 ~~shall-be]~~ prescribed by the commission.

21 B. ~~[This]~~ The license shall show the name and  
22 address of the licensee and ~~[in-the-case-of-a-real-estate~~  
23 ~~salesperson's]~~ an associate broker's license shall show the  
24 name of the ~~[real-estate]~~ qualifying broker by whom he is  
25 engaged. The license of ~~[each-real-estate-salesperson]~~ an

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1 associate broker shall be delivered or mailed to the [~~real~~  
2 ~~estate~~] licensed qualifying broker by whom [~~such real estate~~  
3 ~~salesperson~~] the associate broker is engaged and shall be kept  
4 in the custody and control of that qualifying broker.

5 C. Every license shall be renewed every three  
6 years on or before the last day of the month following the  
7 licensee's month of birth. Upon written request for renewal  
8 by the licensee, the commission shall certify renewal of  
9 [~~each~~] a license [~~in the absence of any~~] if there is no reason  
10 or condition that might warrant the refusal of the renewal [~~of~~  
11 ~~a license, upon written request for renewal by the licensee~~].  
12 The licensee shall provide proof of compliance with continuing  
13 education requirements and [~~receipt of~~] pay the renewal fee.  
14 [~~In the event any~~] If a licensee has not made application for  
15 renewal of license, furnished proof of compliance with  
16 continuing education requirements and paid the renewal fee by  
17 his license renewal date, [~~the~~] his license shall expire. The  
18 commission may, in its discretion, require [~~the~~] a person  
19 whose license has expired to apply for a license as if he had  
20 not been previously licensed under Chapter 61, Article 29 NMSA  
21 1978 and further require that he [~~be reexamined~~] reexamine.  
22 The commission shall require [~~the~~] a person whose license has  
23 expired to pay when he applies for a license, in addition to  
24 any other fee, a late fee of one hundred dollars (\$100). If  
25 during a period of one year from the date the license expires

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1 the person or his spouse is either absent from this state on  
2 active duty military service or the person is suffering from  
3 an illness or injury of such severity that the person is  
4 physically or mentally incapable of making application for a  
5 license, payment of the late fee and reexamination shall not  
6 be required by the commission if, within three months of the  
7 person's permanent return to this state or sufficient recovery  
8 from illness or injury to allow the person to make an  
9 application, the person makes application to the commission  
10 for a license. A copy of that [~~person~~] person's or his  
11 spouse's military orders or a certificate from the applicant's  
12 physician shall accompany the application. Any person excused  
13 by reason of active duty military service, illness or injury  
14 as provided for in this subsection may make application for a  
15 license without imposition of the late fee. All fees  
16 collected pursuant to this subsection shall be disposed of in  
17 accordance with the provisions of Section 61-29-8 NMSA 1978.  
18 The revocation of a qualifying broker's license [~~shall~~]  
19 automatically [~~suspend~~] suspends every [~~real-estate~~  
20 ~~salesperson's~~] associate broker's license granted to [~~any~~] a  
21 person by virtue of his association with the qualifying broker  
22 whose license has been revoked, pending a change of qualifying  
23 broker and the issuance of a new associate broker's license.  
24 [~~Such~~] The new associate broker's license shall be issued  
25 without charge if granted during the same year in which the

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1 suspended associate broker's license was granted.

2 D. Each [~~resident~~] licensed qualifying broker  
3 shall maintain a fixed office within this state, which shall  
4 be so located as to conform with local regulations. Every  
5 office operated by a licensed qualifying broker [~~under Chapter~~  
6 ~~61, Article 29 NMSA 1978~~] shall have a licensed qualifying  
7 broker who is a natural person in charge. The license of the  
8 qualifying broker and the license of [~~each salesperson~~] an  
9 associate broker associated with or under contract to that  
10 qualifying broker shall be prominently displayed in the  
11 office. The address of the office shall be designated in the  
12 qualifying broker's license, and no license issued shall  
13 authorize the licensee to transact real estate business at any  
14 other address [~~except a licensed branch office~~]. In case of  
15 removal from the designated address, the licensee shall make  
16 application to the commission before such removal or within  
17 ten days thereafter, designating the new location of his  
18 office and paying the required fee, whereupon the commission  
19 shall issue a license for the new location if the new location  
20 complies with the terms of Chapter 61, Article 29 NMSA 1978.  
21 Each licensed qualifying broker shall maintain a sign on his  
22 office of such size and content as the commission prescribes.  
23 In making application for a license or for a change of  
24 address, the [~~licensee~~] licensed qualifying broker shall  
25 verify that his office conforms with local regulations.

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1           E.   When any [~~real estate salesperson~~] licensed  
2 associate broker is discharged or terminates his association  
3 or employment with the [~~real estate~~] licensed qualifying  
4 broker with whom he is associated, it is the duty of that  
5 [~~real estate~~] qualifying broker to [~~immediately~~] within forty-  
6 eight hours deliver or mail to the commission that [~~real~~  
7 ~~estate salesperson's~~] associate broker's license. The  
8 commission shall hold the license on inactive status. It is  
9 unlawful for any [~~real estate salesperson~~] associate broker to  
10 perform any of the acts [~~contemplated~~] of an associate broker  
11 authorized by Chapter 61, Article 29 NMSA 1978 either directly  
12 or indirectly under authority of [~~such~~] an inactive license  
13 after his association has been terminated and his license as  
14 [~~salesperson~~] an associate broker has been returned to the  
15 commission as provided in that article until the appropriate  
16 fee has been paid and the associate broker's license has been  
17 reissued by the commission.

18           ~~[F. During the period from July 1, 1995 through~~  
19 ~~June 30, 1998, the commission in its discretion may renew~~  
20 ~~licenses for periods of one, two or three years for the~~  
21 ~~purpose of coordinating continuing education requirements with~~  
22 ~~license renewal requirements.]"~~

23           Section 11. Section 61-29-12 NMSA 1978 (being Laws 1959,  
24 Chapter 226, Section 11, as amended) is amended to read:

25           "61-29-12. REFUSAL, SUSPENSION OR REVOCATION OF LICENSE

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1 FOR CAUSES ENUMERATED. --

2 A. The commission [~~shall have the power to~~] may  
3 refuse [~~a license for cause or~~] to issue or may suspend or  
4 revoke a license [~~at any time where~~] if the licensee has [~~by~~  
5 ~~false or fraudulent representations~~] obtained a license by  
6 false or fraudulent representations or [~~where the licensee~~] in  
7 performing or attempting to perform any of the actions  
8 [~~mentioned~~] specified in Chapter 61, Article 29 NMSA 1978 [~~is~~  
9 ~~deemed to be guilty of~~] has:

10 [A. ~~making~~] (1) made a substantial  
11 misrepresentation;

12 [B. ~~pursuing~~] (2) pursued a continued and  
13 flagrant course of misrepresentation; [~~making~~] made false  
14 promises through [~~agents, salespersons~~] advertising or  
15 otherwise; or [~~using~~] used any trade name or insignia of  
16 membership in any real estate organization of which the  
17 licensee is not a member;

18 [C. ~~paying~~] (3) paid or [~~receiving~~] received  
19 any rebate, profit, compensation or commission to or from any  
20 unlicensed person except his principal or other party to the  
21 transaction, and then only with his principal's written  
22 consent;

23 [D. ~~representing~~] (4) if the licensee is an  
24 associate broker, represented or [~~attempting~~] attempted to  
25 represent a [~~real estate~~] licensed qualifying broker other



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1 than the licensed qualifying broker with whom he is licensed  
2 without the express knowledge and consent of [~~the~~] that  
3 licensed qualifying broker;

4 [~~E.—failing~~] (5) failed within a reasonable  
5 time to account for or to remit any money coming into his  
6 possession that belongs to others, [~~commingling~~] commingled  
7 funds of others with his own or [~~failing~~] failed to keep  
8 [~~such~~] funds of others in an escrow or trustee account or  
9 [~~failing~~] failed to furnish legible copies of all listing and  
10 sales contracts to all parties executing them;

11 [~~F.—conviction~~] (6) been convicted in any  
12 court of competent jurisdiction of a felony or [~~any~~] an  
13 offense involving moral turpitude;

14 [~~G.—employing~~] (7) employed or  
15 [~~compensating~~] compensated directly or indirectly [~~any~~] a  
16 person for performing any of the acts regulated by Chapter 61,  
17 Article 29 NMSA 1978 [~~who is~~] if that person was not a  
18 licensed qualifying broker or a licensed [~~salesperson~~  
19 ~~provided, however, that~~] associate broker at the time of  
20 employment or contractual relationship; except a licensed  
21 qualifying broker may pay a commission to a [~~licensed~~] broker  
22 [~~of~~] licensed in another state [~~provided further that~~], but  
23 the nonresident broker [~~does~~] shall not conduct in this state  
24 any of the negotiations for which a fee, compensation or  
25 commission is paid except in cooperation with a licensed

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1 qualifying broker of this state;

2 ~~[H. failing, if a broker]~~ (8) if the  
3 licensee is a licensed qualifying broker, failed to place as  
4 soon after receipt as is practicably possible after securing  
5 signatures of all parties to the transaction any deposit money  
6 or other money received by him in a real estate transaction in  
7 a custodial, trust or escrow account maintained by him in a  
8 bank or savings and loan institution or title company  
9 authorized to do business in this state, in which the funds  
10 shall be kept until the transaction is consummated or  
11 otherwise terminated, at which time a full accounting of the  
12 funds shall be made by the licensed qualifying broker.

13 Records relative to the deposit, maintenance and withdrawal of  
14 ~~[such]~~ those funds shall contain information as may be  
15 prescribed by the rules ~~[and regulations]~~ of the commission.

16 Nothing in this ~~[subsection shall prohibit any]~~ paragraph  
17 prohibits a licensed qualifying broker from depositing  
18 nontrust funds in an amount not to exceed the required minimum  
19 balance in each trust account so as to meet the minimum  
20 balance requirements of the bank necessary to maintain the  
21 account and avoid charges. This minimum balance deposit shall  
22 not be considered commingling and shall not be subject to  
23 levy, attachment or garnishment. This subsection ~~[however,~~  
24 ~~shall]~~ does not prohibit a licensed qualifying broker from  
25 depositing any deposit money or other money received by him in

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1 a real estate transaction with another cooperating broker who  
2 shall in turn comply with this ~~[ subsection]~~ paragraph;

3 ~~[I. failing, if a salesperson]~~ (9) if the  
4 licensee is an associate broker, failed to place as soon after  
5 receipt as is practicably possible in the custody of his  
6 ~~[registered]~~ licensed qualifying broker any deposit money or  
7 other money entrusted to him by any person dealing with him as  
8 the representative of his ~~[registered]~~ licensed qualifying  
9 broker;

10 ~~[J. violating any provisions]~~ (10) violated  
11 a provision of Chapter 61, Article 29 NMSA 1978 or ~~[ any~~  
12 ~~reasonable]~~ a rule ~~[or regulation]~~ adopted and promulgated by  
13 the commission; ~~[in the interests of the public and in~~  
14 ~~conformance with the provisions of Chapter 61, Article 29 NMSA~~  
15 ~~1978; or~~

16 ~~K. any other conduct]~~ (11) committed acts,  
17 whether of the same or different character from that specified  
18 in this section, that ~~[is]~~ were related to his dealings as a  
19 ~~[real estate]~~ licensed qualifying broker or ~~[real estate~~  
20 ~~salesperson]~~ licensed associate broker and that ~~[constitutes]~~  
21 constituted or ~~[demonstrates]~~ demonstrated bad faith,  
22 incompetency, untrustworthiness, impropriety, fraud,  
23 dishonesty, negligence or ~~[any]~~ an unlawful act; or

24 (12) was licensed to practice real estate in  
25 any jurisdiction, territory or possession of the United States

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1 or another country and was the subject of disciplinary action  
2 as a licensee.

3 [Any] B. An unlawful act or violation of [~~any of~~  
4 ~~the provisions~~] a provision of Chapter 61, Article 29 NMSA  
5 1978 by any [~~real estate salesperson~~] licensed associate  
6 broker employee, partner or associate of a licensed [~~real~~  
7 ~~estate~~] qualifying broker shall not be cause for the  
8 revocation of a license of [~~any real estate~~] a qualifying  
9 broker unless it appears to the satisfaction of the commission  
10 that the [~~real estate~~] broker had guilty knowledge of the  
11 unlawful act or violation. "

12 Section 12. Section 61-29-14 NMSA 1978 (being Laws 1959,  
13 Chapter 226, Section 13, as amended) is amended to read:

14 "61-29-14. NONRESIDENT BROKERS. -- [~~No~~]

15 A. An application for issuance of a license or  
16 renewal of an existing broker's license shall be accepted from  
17 [~~any~~] a nonresident applicant who is [~~not~~] a broker licensed  
18 in another state [~~which~~] only if the other state extends the  
19 privilege of reciprocal licensure to [~~real estate~~] brokers  
20 licensed in New Mexico. A qualifying nonresident ~~may~~ become a  
21 [~~real estate~~] licensed broker by conforming to all the  
22 conditions of Chapter 61, Article 29 NMSA 1978.

23 B. In its discretion, the commission ~~may~~  
24 recognize, in lieu of the recommendations and certificates  
25 required to accompany an application for a broker's license,

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1 the broker's license issued to a nonresident in another state,  
2 provided the other state extends the privilege of licensure to  
3 ~~[real-estate]~~ brokers licensed in New Mexico. The license  
4 shall be issued upon payment of the license fee, verification  
5 that the applicant has complied with his resident state's  
6 current education requirements, of which ~~[ninety]~~ sixty  
7 classroom hours for a nonresident broker must be approved by  
8 the ~~[New Mexico real-estate]~~ commission, and the filing by the  
9 applicant with the commission of a certified copy of the  
10 applicant's license issued by the other state ~~[provided that~~  
11 ~~A. the applicant shall have]~~ if the applicant:

12 (1) maintained an active place of business in  
13 the state by which he is licensed, ~~[shall establish]~~  
14 establishes and ~~[maintain]~~ maintains an active place of  
15 business in this state and ~~[shall pass]~~ passes the written  
16 examination required by Section 61-29-10 NMSA 1978; and

17 ~~[B. the applicant shall file]~~ (2) files with  
18 the commission an irrevocable consent that suits and actions  
19 may be commenced against him in the proper court of any county  
20 of this state in which a cause of action may arise or in which  
21 the plaintiff may reside, by the service of any process or  
22 pleadings authorized by the laws of this state on the  
23 commission, the consent stipulating and agreeing that ~~[such]~~  
24 service of process or pleadings on the commission ~~[shall be~~  
25 ~~taken and held in all courts to be]~~ is as valid and binding as

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1 if personal service had been made upon the applicant in New  
2 Mexico. The instrument containing the consent shall be [ ~~duly~~ ]  
3 acknowledged and, if executed on behalf of a corporation or  
4 association, shall be accompanied by [ ~~the duly~~ ] a certified  
5 copy of the resolution of the proper officers or managing  
6 board authorizing the [ ~~proper~~ ] executing officer to execute  
7 the instrument. [ ~~In case any~~ ] Process or [ ~~pleading mentioned~~ ]  
8 pleadings in the case [ ~~is~~ ] shall be served in duplicate upon  
9 the [ ~~board, it shall be by duplicate copies~~ ] commission, and  
10 one [ ~~of which~~ ] shall be filed in the office of the commission  
11 and the other immediately forwarded by registered mail to the  
12 main office of the applicant [ ~~against~~ ] to which the process or  
13 pleadings are directed [ ~~and C. the applicant shall file a~~  
14 ~~bond in form and content the same as is required of resident~~  
15 ~~applicants under Chapter 61, Article 29 NMSA 1978~~ ]. "

16 Section 13. Section 61-29-15 NMSA 1978 (being Laws 1959,  
17 Chapter 226, Section 14) is amended to read:

18 "61-29-15. [ PUBLICATION ] MAINTENANCE OF LIST OF  
19 LICENSEES. -- The commission shall [ ~~at least annually, publish~~ ]  
20 maintain a list of the names and addresses of all licensees  
21 licensed by it under the provisions of [ ~~this act~~ ] Chapter 61,  
22 Article 29 NMSA 1978, and of all persons whose license has  
23 been suspended or revoked within that year, together with such  
24 other information relative to the enforcement of the  
25 provisions of [ ~~this act~~ ] Chapter 61, Article 29 NMSA 1978 as

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1 it may deem of interest to the public. The commission shall  
2 also ~~[prepare]~~ maintain a statement of all funds received by  
3 it and a statement of all disbursements ~~[and]~~ made by it.  
4 Copies of ~~[such]~~ these statements shall be mailed by the  
5 commission to any person in this state upon request. "

6 Section 14. Section 61-29-16 NMSA 1978 (being Laws 1959,  
7 Chapter 226, Section 15) is amended to read:

8 "61-29-16. SUIT BY BROKER ~~[OR SALESMAN]~~. -- No action for  
9 the collection of commission or compensation earned by ~~[any~~  
10 ~~person as]~~ a ~~[real-estate]~~ broker ~~[or salesman]~~ required to be  
11 licensed under the provisions of ~~[this act]~~ Chapter 61,  
12 Article 29 NMSA 1978 shall be maintained in the courts of the  
13 state unless ~~[such person was a duly licensed]~~ the broker [or  
14 salesman] was licensed as a qualifying broker at the time the  
15 alleged cause of action arose. ~~[In any event, suit against a~~  
16 ~~member of the public as distinguished from any person licensed~~  
17 ~~under this act shall be maintained only in the name of the~~  
18 ~~broker.]"~~

19 Section 15. Section 61-29-20 NMSA 1978 (being Laws 1980,  
20 Chapter 82, Section 1) is amended to read:

21 "61-29-20. SHORT TITLE. -- Sections ~~[1 through 10 of this~~  
22 ~~act]~~ 61-29-20 through 61-29-29 NMSA 1978 may be cited as the  
23 "Real Estate Recovery Fund Act". "

24 Section 16. Section 61-29-23 NMSA 1978 (being Laws 1980,  
25 Chapter 82, Section 4, as amended) is amended to read:

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1 "61-29-23. JUDGMENT AGAINST QUALIFYING BROKER OR  
2 [~~SALESPERSON~~] ASSOCIATE BROKER - - PETITION - - REQUIREMENTS - -  
3 RECOVERY LIMITATIONS. - -

4 A. When any aggrieved person claims a pecuniary  
5 loss caused by a [~~state-licensed real-estate~~] licensed  
6 qualifying broker or [~~salesperson~~] a licensed associate broker  
7 based upon fraud, knowing or willful misrepresentation or  
8 wrongful conversion of funds entrusted to him, which loss  
9 arose out of any transaction for which a [~~real-estate~~]  
10 qualifying broker's or [~~salesperson's~~] associate broker's  
11 license is required and arose out of or during the course of a  
12 transaction involving the sale, lease, exchange or other  
13 disposition of real estate, where the cause of action arose on  
14 or after July 1, 1980, that person may, within one year after  
15 obtaining a final judgment based upon fraud, knowing or  
16 willful misrepresentation or wrongful conversion of funds  
17 entrusted to him and the termination of all proceedings,  
18 including appeals in connection with the judgment, file a  
19 verified petition with the commission for payment from the  
20 real estate recovery fund for the actual damages included in  
21 the judgment and unpaid, but not more than ten thousand  
22 dollars (\$10,000) per judgment regardless of the number of  
23 persons aggrieved or parcels of real estate involved in the  
24 transaction. The aggregate amount recoverable by all  
25 claimants for losses caused by any one licensee shall not



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1 exceed thirty thousand dollars (\$30,000).

2 B. A copy of the petition shall be served upon the  
3 commission in the manner provided by law for service of a  
4 civil summons.

5 C. The commission shall conduct a hearing on the  
6 petition after service of the petition upon the commission.  
7 At the hearing, the petitioner shall be required to show that  
8 he:

9 (1) is not the spouse of the judgment debtor,  
10 the personal representative of the spouse or related to the  
11 third degree of consanguinity or affinity to the licensee  
12 whose conduct is alleged to have caused the loss;

13 (2) has complied with all the requirements of  
14 the Real Estate Recovery Fund Act;

15 (3) has obtained a judgment of the kind  
16 described in Subsection A of this section, the amount awarded  
17 and the amount owing at the date of the petition;

18 (4) has had execution issued upon the  
19 judgment and that the officer executing the writ has made a  
20 return showing that the judgment debtor has no property within  
21 the state subject to execution. If execution is levied  
22 against the property of the judgment debtor, the petitioner  
23 [~~must~~] shall show that the amount realized on the sale was  
24 insufficient to satisfy the judgment and [~~must~~] shall set  
25 forth the amount realized from the sale and the balance

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1 remaining due on the judgment after application of the amount  
2 realized;

3 (5) has made reasonable searches and  
4 inquiries to ascertain whether the judgment debtor is  
5 possessed of real or personal property or other assets liable  
6 to be sold or applied in satisfaction of the judgment,  
7 including partnership assets, licensee's estate or any bond or  
8 insurance, and that he has exercised reasonable diligence to  
9 secure payment of the judgment from the assets of the judgment  
10 debtor; and

11 (6) has a judgment that is not:

12 (a) covered by any bond, insurance,  
13 surety agreement or indemnity agreement;

14 (b) a loss incurred by a partner, joint  
15 venturer, employer, employee or associate of the licensee  
16 whose conduct is alleged to have caused the loss; or a  
17 corporate officer or director of a corporation in which the  
18 judgment debtor is also an officer, director or employee; or

19 (c) a loss incurred by any business or  
20 other entity in which the licensee whose conduct is alleged to  
21 have caused the loss has any interest at the time of the  
22 conduct alleged to have caused the loss. "

23 Section 17. Section 61-29-27 NMSA 1978 (being Laws 1980,  
24 Chapter 82, Section 8, as amended) is amended to read:

25 "61-29-27. SUBROGATION.--When the commission makes any

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1 payment from the real estate recovery fund to a judgment  
2 creditor, the ~~commission~~ shall be subrogated to all rights of  
3 the judgment creditor for the amounts paid out of the fund and  
4 any amount and interest so recovered by the ~~commission~~ shall  
5 be deposited in the fund. The ~~commission~~ may, pursuant to the  
6 provisions of the Uniform Licensing Act, revoke, suspend or  
7 refuse to renew the license of [ ~~any real estate~~ ] a licensed  
8 qualifying broker or [ ~~salesperson~~ ] a licensed associate broker  
9 for whom payment from the fund has been made in accordance  
10 with the provisions of the Real Estate Recovery Fund Act.  
11 Further, the [ ~~commission~~ ] commission may refuse to issue or  
12 renew the license of any person for whom payment from the real  
13 estate recovery fund has been made, until that person  
14 reimburses the fund for all payments made on his behalf. "

15 Section 18. TEMPORARY PROVISION--TRANSITION.--

16 A. A person licensed as a salesperson pursuant to  
17 Chapter 61, Article 29 NMSA 1978, who has completed a broker  
18 basics course approved by the New Mexico real estate  
19 ~~commission~~ prior to June 30, 2002, shall be licensed as an  
20 associate broker on July 1, 2002.

21 B. A person licensed as a salesperson on June 30,  
22 2002, pursuant to Chapter 61, Article 29 NMSA 1978, may, on or  
23 after July 1, 2002, be placed on inactive status pursuant to  
24 rules of the New Mexico real estate ~~commission~~. On or after  
25 July 1, 2002, a person on inactive status may apply for and

1 receive an associate broker's license if he has completed a  
2 broker basics course approved by the commission.

3 Section 19. DELAYED EFFECTIVE DATE. --The effective date  
4 of the provisions of this act is July 1, 2002.

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