

HOUSE BILL 477

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Nate Gentry

AN ACT

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

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

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

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

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

.198297.1

underscoring material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

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

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

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

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

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