

This rule was filed as 13 NMAC 4.4.

**TITLE 13       INSURANCE**  
**CHAPTER 4     LICENSING OF INSURANCE PROFESSIONALS**  
**PART 4         SURPLUS LINES BROKERS**

**13.4.4.1       ISSUING AGENCY:** New Mexico State Corporation Commission [Public Regulation Commission], Department of Insurance, Post Office Box 1269, Santa Fe, NM 87504-1269.  
[7/1/97; Recompiled 11/30/01]

**13.4.4.2       SCOPE:** This rule applies to all persons seeking licensure as a surplus lines broker.  
[7/1/97; Recompiled 11/30/01]

**13.4.4.3       STATUTORY AUTHORITY:** Section 59A-2-9 NMSA 1978.  
[7/1/97; Recompiled 11/30/01]

**13.4.4.4       DURATION:** Permanent.  
[7/1/97; Recompiled 11/30/01]

**13.4.4.5       EFFECTIVE DATE:** July 1, 1997, unless a later date is cited at the end of a section or paragraph.  
[7/1/97; Recompiled 11/30/01]  
[Compiler's note: The words *or paragraph*, above, are no longer applicable. Later dates are now cited only at the end of sections, in the history notes appearing in brackets.]

**13.4.4.6       OBJECTIVE:** The purpose of this rule is to implement Chapter 59A Article 14 NMSA 1978 by establishing requirements for obtaining a license as a surplus lines broker.  
[7/1/97; Recompiled 11/30/01]

**13.4.4.7       DEFINITIONS:** For the purpose of this rule, **surplus lines broker** has the meaning given in Section 59A-14-2 NMSA 1978.  
[7/1/97; Recompiled 11/30/01]

**13.4.4.8       LICENSING REQUIREMENTS:**

A. An applicant requesting a license as a surplus lines broker shall file, as part of the application, a bond as required by this rule. The application for a surplus lines broker will be considered for issuance by the superintendent upon the following conditions:

(1) the payment in advance to the superintendent of the fees prescribed in section 59A-6-1 NMSA 1978; and

(2) delivery to the superintendent of a bond to the state of New Mexico in the amount specified in Section 59A-14-8 NMSA 1978 issued by a licensed surety insurer, conditioned that the licensee will fully and faithfully comply with the requirements of this rule.

B. On or before the first day of March of each year, the department of insurance shall mail a billing statement for renewal of the surplus lines broker license to each surplus lines broker licensed in New Mexico.

C. On or before the first day of April of each year, the surplus lines broker shall return the billing statement together with the license renewal fee specified in Section 59A-6-1 NMSA 1978.

D. Pursuant to 18 U.S.C. Section 1033, no person who has been convicted of a felony involving dishonesty or a breach of trust may be licensed as a surplus lines broker, unless the person has the written consent of the superintendent.

[7/1/97; Recompiled 11/30/01]

**13.4.4.9       REQUIRED EXPERIENCE, TRAINING AND EDUCATION:** To meet the requirements of Section 59A-14-7 NMSA 1978, an applicant for a surplus lines broker license shall file, as part of the application, documentation showing a combination of the following factors totaling at least five years:

- A. experience as a licensed agent in the kind of insurance for which the surplus lines broker license is sought;
  - B. continuing education units of a type and quantity sufficient to satisfy the requirements for renewal of an agent's license; and
  - C. any other special experience, education or training that the applicant offers to demonstrate that the applicant is reasonably competent to conduct surplus lines business in New Mexico.
- [7/1/97; Recompiled 11/30/01]

**HISTORY OF 13.4.4 NMAC:**

Pre-NMAC History: The material in this rule was originally filed with the State Records Center as ID 67-1, Sections 5-4-1, 5-4-4, and 5-4-14 through 5-4-16, New Mexico Official Administrative Rules and Regulations Code, filed 12/1/67.

History of Repealed Material: [RESERVED]