

**FORTY-SEVENTH LEGISLATURE  
FIRST SESSION, 2005**

February 7, 2005

Mr. Speaker:

Your **GOVERNMENT AND URBAN AFFAIRS COMMITTEE**, to whom has been referred

**HOUSE BILL 312**

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

1. On page 1, line 11, after "TERMS" insert ", INCLUDING THOSE".

2. On page 1, line 14, strike "ELIMINATING" and insert in lieu thereof "REVISING".

3. On page 1, line 14, after "PROVISIONS" insert "FOR MAXIMUM ANNUAL PREMIUM FOR LIABILITY INSURANCE AND".

4. On page 1, line 15, strike "THE" and insert in lieu thereof "REQUIREMENTS FOR CONTINUING EDUCATION AND".

5. On page 10, line 2, strike "January 1, 2006" and insert in lieu thereof "the effective date of this 2005 act".

6. On page 10, between lines 11 and 12, insert the following new section:

"Section 5. Section 61-29-4.2 NMSA 1978 (being Laws 2001, Chapter 216, Section 1) is amended to read:

"61-29-4.2. ADDITIONAL POWERS OF THE COMMISSION--PROFESSIONAL LIABILITY INSURANCE--MAXIMUM COST OF PREMIUM--MINIMUM COVERAGE.--

A. In addition to the powers and duties granted to the commission pursuant to the provisions of Sections 61-29-4 and 61-29-4.1 NMSA 1978, the commission may adopt rules that require professional liability insurance coverage and may establish the minimum terms and conditions of coverage, including limits of coverage and permitted exceptions. If adopted by the commission, the rules shall require every applicant for an active license and licensee who applies for renewal of an active license to provide the commission with satisfactory evidence that he has professional liability insurance coverage that meets the minimum terms and

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conditions required by commission rule.

B. The commission is authorized to solicit sealed, competitive proposals from insurance carriers to provide a group professional liability insurance policy that complies with the terms and conditions established by commission rule. The commission may approve one or more policies that comply with the commission rules; provided that the maximum annual premium shall not exceed [~~one hundred fifty dollars (\$150)~~] two hundred dollars (\$200) for a licensee, that the minimum coverage shall not be less than one hundred thousand dollars (\$100,000) for an individual claim and not less than a five hundred thousand dollar (\$500,000) aggregate limit per policy and that the deductible shall not be greater than one thousand dollars (\$1,000).

C. Rules adopted by the commission shall permit an active licensee to satisfy any requirement for professional liability insurance coverage by purchasing an individual policy.

D. Rules adopted by the commission shall provide that there shall not be a requirement for a licensee to have professional liability insurance coverage during a period when a group policy, as provided in Subsection B of this section, is not in effect."".

7. Renumber the succeeding sections accordingly.

8. On page 15, lines 8 and 9, strike "the commission" and insert in lieu thereof "law".

9. On page 17, line 17, strike "may" and insert in lieu thereof "shall automatically".

10. On page 17, line 18, after "license" insert "without any additional requirements".

11. On page 17, line 18, strike "A" and insert in lieu thereof "However, to be eligible to apply for a qualifying broker's license, a".

12. On page 17, line 20, strike "paragraph must" and insert in lieu thereof "subsection, in addition to meeting all other requirements for a qualifying broker's license, shall".

13. On page 17, lines 21 and 22, strike "to be eligible to apply for a qualifying broker's license".

14. On page 25, line 8, strike "or revoke" and insert in lieu

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thereof ", revoke, limit or condition".

15. On page 35, lines 3 and 4, strike "subject to appropriation by the legislature" and insert in lieu thereof "appropriated".

16. On page 35, line 5, after the period insert "The commission shall promulgate rules specifying the manner in which the fund shall be administered.".

17. On page 35, line 13, strike "18" and insert in lieu thereof "19".

18. On page 35, line 15, strike "19" and insert in lieu thereof "20".,

and thence referred to the **BUSINESS AND INDUSTRY COMMITTEE.**

Respectfully submitted,

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Mimi Stewart, Chair

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 5 For 0 Against

Yes: 5

No: 0

Excused: Luna, Varela

Absent: None

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