

**FIFTY-FIFTH LEGISLATURE  
FIRST SESSION, 2021**

February 17, 2021

Mr. Speaker:

Your **COMMERCE AND ECONOMIC DEVELOPMENT COMMITTEE**,  
to whom has been referred

**HOUSE BILL 235**

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

1. On page 1, between lines 19 and 20, insert a new  
subsection as follows:

"B. electronic transmission through a dedicated two-way  
communication portal and retain delivery confirmation;"

2. Reletter the succeeding subsections accordingly.

3. On page 3, line 8, strike "all".

4. On page 3, line 12, after "period", strike the remainder  
of the line, strike lines 13 and 14 in their entirety and on line  
15, strike "the emergency".

5. On page 7, line 25, strike "by email".

6. On page 8, line 2, after "email", insert "or electronic  
portal".

7. On page 8, strike line 18 after "person", strike lines 19  
through 25 in their entirety and on page 9, strike lines 1 and 2 in  
their entirety and insert in lieu thereof:

"serving an insurer pursuant to this subsection, that person shall  
deliver to the superintendent or the superintendent's designee two  
copies of the process together with the fee specified in Section  
59A-6-1 NMSA 1978, taxable as costs in the action. Upon such  
service, the superintendent shall deliver the process to the insurer  
as provided in Subsection B of this section.""

8. On pages 9 through 11, strike Section 6 in its entirety.

9. On page 18, lines 4 through 16, strike Section 10 in its  
entirety.

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10. On page 18, line 22, after "advertising", strike the remainder of the line, strike lines 23 through 25 in their entirety and on page 19, strike lines 1 through 22 in their entirety and insert in lieu thereof the following:

"to solicit or generate interest in an insurance product or health plan unless the advertising has been filed with and approved by the superintendent. An advertisement filed with, but not affirmatively approved or disapproved by the superintendent within thirty days of the filing, shall be deemed approved.

B. The superintendent may withdraw approval of an advertisement upon notice to the filer, who shall have thirty days from delivery of the notice to request a hearing to contest the withdrawn approval. The superintendent's notice shall specify the date after which a withdrawn form shall not be used. Such date shall be no less than thirty days after delivery of the notice of withdrawal to the filer.

C. The provisions of this section apply to any product or plan subject to the superintendent's jurisdiction.

D. As used in this section, "advertising" or "advertisement" means standardized consumer-facing material that contains information about the terms, cost, benefits or relative merits of a specific insurance or health plan product, but does not mean any quote or other customized information or material that is prepared for presentation to a specific or proposed insured.".

11. On page 21, line 2, strike ", whether or".

12. On page 27, line 21, after the period, insert "A separate filing is not required if a person has asked the superintendent to approve a value-added product or service as part of another form filing.".

13. On page 27, line 21, after "such", insert "stand-alone".

14. On page 27, line 22, strike "sixty" and insert in lieu thereof "thirty".

15. On page 29, line 7, strike "date" and insert in lieu

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thereof "forty-sixth day after".

16. On page 32, line 3, strike "and" and insert in lieu thereof "or".

17. On page 34, line 1, strike "such" and insert in lieu thereof "separate".

18. On page 54, strike lines 7 through 9 in their entirety.

19. Renumber the succeeding paragraphs accordingly.

20. On page 64, between lines 18 and 19, insert the following new section:

**"SECTION 37.** Section 59A-58-5 NMSA 1978 (being Laws 2001, Chapter 206, Section 5, as amended) is amended to read:

"59A-58-5. REGISTRATION REQUIREMENTS.--

A. A provider who wishes to issue, sell or offer for sale service contracts in this state must submit to the superintendent:

(1) a registration application on a form prescribed by the superintendent;

(2) proof that the provider has complied with the requirements for security pursuant to Section 59A-58-6 NMSA 1978;

(3) the name, address and telephone number of each administrator with whom the provider intends to contract, if any; and

(4) provided that House Bill 248 of the first session of the fifty-fifth legislature:

(a) becomes law, the registration renewal fee provided in Section 59A-6-1 NMSA 1978; or

(b) does not become law, a fee of five hundred dollars (\$500).

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B. A provider's registration is valid for one year after the date the registration is filed. A provider may renew the provider's registration if, before the registration expires, the provider submits to the superintendent an application on a form prescribed by the superintendent and, provided that House Bill 248 of the first session of the fifty-fifth legislature:

(1) becomes law, the registration renewal fee provided in Section 59A-6-1 NMSA 1978; or

(2) does not become law, a fee of five hundred dollars (\$500).

C. The provisions of this section shall not apply to major manufacturing companies' service contracts.

D. Service contract forms are not required to be filed with the superintendent."".

21. Renumber sections to correspond with these amendments., and thence referred to the **JUDICIARY COMMITTEE.**

Respectfully submitted,

\_\_\_\_\_  
**Antonio "Moe" Maestas, Chair**

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

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

Date \_\_\_\_\_

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The roll call vote was 5 For 4 Against  
Yes: 5  
No: Baldonado, Dow, Fajardo, Powdrell-Culbert  
Excused: Johnson  
Absent: None

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