

Opinion No. 52-5586

September 5, 1952

BY: JOE L. MARTINEZ, Attorney General

TO: Mr. H. F. Scott State Purchasing Agent State Capitol Building Santa Fe, New Mexico

{*293} This is in reply to your letter of August 28, 1952 in which you request an opinion from this office, concerning our interpretation of Chapter 59, New Mexico Session Laws of 1951. You state in your letter that you are attempting to consolidate insurance for some of the departments in order that they may have one master policy under a general form, and that this would simplify clerical work and cost the state less money.

Your specific question is whether you will be within the law, namely Chapter 59, New Mexico Session Laws of 1951, if you make an agreement with an agency to handle the master policy, and have it understood in that agreement that the agency which holds the master policy will in turn reimburse the agencies in the counties, in the amount of the insurance covering buildings within that county, or whether it would be better practice or more nearly within the law if the agent holding the master policy would rewrite the exact insurance in a given county with an agent within the county.

This Statute is mandatory and the intent of the Legislature is clear that outside of Santa Fe County, all insurance on State buildings must be taken out with companies or agencies in the county where such state buildings are located. The language is clear and specific that the companies or agencies in the counties are given first preference and unless there are no agencies or companies in the particular counties where the state building is located, does the statute make an exemption.

It is therefore my opinion that it would be a better practice and within the law if all insurance is placed with an agency or company doing business in the county where the state building is located.

Trusting that this fully answers your inquiry.