

Opinion No. 22-3363

April 5, 1922

BY: HARRY S. BOWMAN, Attorney General

TO: State Bank Examiner, Insurance Department, Santa Fe, New Mexico.

Collection of Premiums on Insurance Risks by Non-Resident Agents.

OPINION

{*139} In reply to your letter of March 29th, stating that you have received an inquiry from Mr. J. L. English, Vice President of the Aetna Life Insurance Company, of Hartford, Connecticut, asking if the Laws of this state would permit an insurance company to collect the premiums under policies written on New Mexico risks, all commissions having been previously paid, through agents outside of the state, should it desire to do so, for which collection service the company pays a collection fee to the collecting agent, I wish to advise:

Section 2820, Code 1915, as amended by Section 1, Chapter 195, Laws 1921, governing the writing, placing or making of insurance policies or contracts covering risks in this state does not govern the matter of the collection of premiums after the policy has been made, written or placed.

This act prohibits the payment of any fee, brokerage or emolument to any one not a resident of the state "for the obtaining, placing or writing" of any policy covering a risk in New Mexico. The payment of a fee for the collection of premiums is not included within the restriction in this section.

There is no objection therefore, to the payment of a fee to persons for the collection of premiums upon risks in New Mexico.