

**Opinion No. 22-3356**

March 27, 1922

**BY:** HARRY S. BOWMAN, Attorney General

**TO:** Hon. J. B. Read, State Bank Examiner, Deputy for Insurance, Santa Fe, New Mexico.

**Supervising Agents Insurance Business.**

**OPINION**

{\*137} In reply to your letter of the 23rd instant, requesting a construction {\*138} of the provisions of Section 2020, Code 1915, I wish to advise you as follows:

Section 2020, Code 1915, has been amended by Section 1, Chapter 195, Laws 1921, and the wording thereof considerably modified. The question propounded in your letter involves the right of an agent located outside of the State to supervise local agents within the State in view of the provision in the above last mentioned act prohibiting any foreign insurance company to make, write, place or cause to be made, written or placed in this state, any contract of insurance unless the same shall be made, written or placed through its duly and regularly appointed and authorized agent or agents resident of the state, and further prohibiting "any company or any of its agents to pay either directly or indirectly any fee, brokerage, or other emolument of any nature to any person, firm or corporation not a resident of the State of New Mexico, for the obtaining, placing or writing of any policy or policies of insurance covering risks in this State."

The act of supervising local agents does not involve the obtaining, placing or writing of policies covering risks in New Mexico and, therefore, there is no objection to the supervising of local agents or agencies by persons who are non-residents of this State. This agent may, therefore, receive compensation from his company for such acts of supervision without violating the provisions of Chapter 195, Laws 1921.