

# STATE OF NEW MEXICO OFFICE OF SUPERINTENDENT OF INSURANCE



SUPERINTENDENT OF INSURANCE  
Alice T. Kane

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**UPDATED BULLETIN 2024-007**  
**OCTOBER 2, 2024**

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**TO: ALL INSURANCE COMPANIES THAT HAVE ISSUED RESIDENTIAL PROPERTY INSURANCE POLICIES COVERING RISKS LOCATED IN THE STATE OF NEW MEXICO**

**RE: PAYMENT OF RESIDENTIAL PROPERTY LOSS CLAIMS FOLLOWING THE SALT AND SOUTH FORK WILDFIRES**

This bulletin is issued in accordance with Sections 59A-2-8, 59A-2-10 and 59A-4-3 NMSA 1978, and with 13.1.2.9 NMAC.

Upon an order by the Governor based upon the invocation of a state of emergency under the All-Hazard Emergency Management Act, the Superintendent of Insurance, may “take those actions necessary to ensure access to insurance and the stability of insurance markets during the emergency.” NMSA 1978, Section 59A-2-8(A)(11). The Superintendent issued a Second Amended Emergency Order on October 1, 2024, related to the subject matter of this bulletin. A link to the Second Amended Emergency Order may be found at the following link to the Office of Superintendent of Insurance website:

<https://a.storyblok.com/f/132761/x/b3a9404b71/second-amended-emergency-order-2024-0051.pdf>

The Salt Fire and the South Fork Fire burned a total of 25,508 acres. Both fires are now 100% contained in the State of New Mexico. The Governor issued an Executive Order, No. 2024-033 on June 18, 2024 declaring emergencies caused by the Salt Fire and South Fork Fire. Executive Order No. 2024-033 declared that over 500 structures have been impacted by the fires; the fires led to the evacuation of the Village of Ruidoso and may require other nearby communities

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to evacuate; the Mescalero Apache Tribe has issued an executive order declaring a state of emergency due to these fires; Lincoln County issued a local disaster declaration, confirming that all local resources available are insufficient to cope with the resulting situation and requested aid, assistance, relief programs, and funding from the State of New Mexico.

The purpose of this bulletin is to remind insurers of the statutory coverage requirements for residential property insurance policies contained in Section 59A-18-17(C), NMSA 1978, and to require all insurance companies that have issued residential property insurance policies covering risks located in the state of New Mexico that they must follow the applicable requirements of the Superintendent's Second Amended Emergency Order dated October 1, 2024, Docket No. 2024-0051.

Insurance policies covering residential property are statutorily required to provide coverage for the cost to repair or replace the damaged or destroyed property without any deduction for depreciation. If the insured party elects to make the repairs themselves, a reasonable overhead expense is required.

While individual company policy forms that provide for coverage in an amount less than full replacement value may have been approved for use in New Mexico, the coverage requirements found in Section 59A-18-17(C), NMSA 1978, control. The Office of Superintendent of Insurance expects all property and casualty insurance companies to act in good faith and use fair claim settlement practices that comply with state law. The Office of Superintendent of Insurance will closely monitor claims settlements and consumer complaints related to the wildfires and may take additional measures as necessary.

Questions regarding this bulletin should be directed to Melissa Robertson, by emailing [Melissa.Robertson@osi.nm.gov](mailto:Melissa.Robertson@osi.nm.gov) or by calling (505) 670-2704.

**ISSUED this 2<sup>nd</sup> day of October 2024.**



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**ALICE T. KANE**  
**Superintendent of Insurance**