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HOUSE BILL 195

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,
2000**

INTRODUCED BY
Jerry Sandel

AN ACT

RELATING TO RETIREE HEALTH CARE; AMENDING THE RETIREE HEALTH
CARE ACT TO AUTHORIZE PREMIUMS BASED ON YEARS OF CREDITED
SERVICE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 10-7C-13 NMSA 1978 (being Laws 1990,
Chapter 6, Section 13, as amended) is amended to read:

"10-7C-13. PAYMENT OF PREMIUMS ON HEALTH CARE PLANS.--

A. Each eligible retiree shall pay a monthly
premium for the basic plan in an amount set by the board not
to exceed ~~[the sum of]~~ fifty dollars (\$50.00) plus the
amount, if any, of the compounded annual increases authorized
by the board, which increases shall not exceed nine percent
in any fiscal year. In addition to the monthly premium for
the basic plan, each current retiree and nonsalaried eligible
participating entity governing authority member who becomes

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1 an eligible retiree shall also pay monthly an additional
2 participation fee set by the board. That fee shall be five
3 dollars (\$5.00) plus the amount, if any, of the compounded
4 annual increases authorized by the board, which increases
5 shall not exceed nine percent in any fiscal year. The
6 additional monthly participation fee paid by the current
7 retirees and nonsalaried eligible participating entity
8 governing authority members who become eligible retirees
9 shall be a consideration and a condition for being permitted
10 to participate in the Retiree Health Care Act. Eligible
11 dependents shall pay monthly premiums in amounts that with
12 other money appropriated to the fund shall cover the cost of
13 the basic plan for the eligible dependents.

14 B. Eligible retirees and eligible dependents shall
15 pay monthly premiums to cover the cost of the optional plans
16 that they elect to receive, and the board shall adopt rules
17 for the collection of additional premiums from eligible
18 retirees and eligible dependents participating in the
19 optional plans. An eligible retiree or eligible dependent
20 may authorize the authority in writing to deduct the amount
21 of these premiums from the monthly annuity payments, if
22 applicable.

23 C. The participating employers, active employees
24 and retirees are responsible for the financial viability of
25 the program. The overall financial viability is not an
additional financial obligation of the state.

D. For eligible retirees who become eligible for

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1 participation on or after July 1, 2001, the board may
2 determine monthly premiums based on the retirees' years of
3 credited service with participating employers."

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