

LFC Requester:	Joseph Simon
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/28/2025 *Check all that apply:*
Bill Number: HM44 Original Correction
 Amendment Substitute

Sponsor: Raymundo Lara **Agency Name and Code:** New Mexico Public Schools Insurance Authority 34200
Short Title: School Employee Insurance Premium Work Group **Number:** _____
Person Writing: Kaylynn Roybal
Phone: 505-476-1672 **Email:** kaylynn.roybal@psia.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

HM44 requests the Legislative Education Study Committee to convene a working group. This group's purpose is to study the rising costs of insurance premiums for school employees and the group insurance contributions outlined in the Public Schools Insurance Authority Act.

The Public Schools Insurance Authority Act was established to provide comprehensive core insurance programs for participating schools, including coverage for school board members, retirees, public school employees, and reimbursement for due process costs for students with disabilities. The Act specifies group insurance contribution rates for school districts, charter schools, and other participating entities as follows:

- At least eighty percent of the insurance cost for employees earning less than fifty thousand dollars (\$50,000) annually.
- At least seventy percent for those earning between fifty thousand dollars (\$50,000) and less than sixty thousand dollars (\$60,000).
- At least sixty percent for employees earning sixty thousand dollars (\$60,000) or more.

The proposed working group is to include representatives from relevant state agencies, such as the Public Education Department, the Department of Finance and Administration, the General Services Department, the Public Schools Insurance Authority, and representatives from school districts and charter schools. The Legislative Education Study Committee is tasked with preparing a written report of the working group's findings and recommendations, to be submitted to the governor and the legislature.

A copy of this memorial is to be transmitted to the Legislative Education Study Committee for distribution to prospective members of the working group.

FISCAL IMPLICATIONS

There is no fiscal impact associated with this memorial, as it does not allocate funding, mandate expenditures, or require new appropriations. While agency personnel will need to dedicate time and resources to participate, these responsibilities will be absorbed within their current administrative capacities.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS

NMPSIA seeks an amendment to Section 1, Paragraph 5, removing requirements for a representative from the General Services Department (GSD) and adding a representative from Albuquerque Public Schools (APS), the Health Care Authority (HCA), and the Retiree Health Care Authority (RHCA) in the working group. These additional agencies will bring critical insights into the broader implications of rising health insurance costs on both active employees and retirees. Their inclusion will enhance the comprehensiveness of the study.