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AN ACT

RELATING TO PUBLIC FUNDS; PROVIDING STANDARDS FOR ASSESSING
CONTRIBUTIONS AGAINST STATE AGENCIES AND LOCAL PUBLIC BODIES.

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

Section 1. Section 15-7-2 NMSA 1978 (being Laws 1978,
Chapter 166, Section 7, as amended) is amended to read:

"15-7-2. RISK MANAGEMENT DIVISION.--

A. There is established a "risk management
division" of the general services department. The director
of the risk management division shall be appointed by the
secretary of general services. The director shall be
knowledgeable and experienced in general insurance practices.
The director shall be responsible for the acquisition and
administration of all insurance purchased by the state.
Except as provided by this section, no state agency may
procure any kind of insurance other than through the risk
management division.

B. The risk management division shall apportion to
each state agency its contributions toward the purchase of
insurance or for the providing of coverage for any risk not
insured. The amount of contribution by each agency shall be
determined by the risk management division and shall reflect
the respective risks of each agency. All contributions
toward the purchase of insurance or for the coverage of any

1 risk not insured shall be paid into the public liability
2 fund, the workers' compensation retention fund, the public
3 property reserve fund or the group self-insurance fund, as
4 appropriate. The department of finance and administration
5 may collect or transfer funds from each agency to cover
6 insurance or other costs, pursuant to the risk management
7 division's instructions.

8 C. If, at the beginning of a fiscal year, a fund
9 administered by the risk management division is not
10 actuarially sound, the total amount of contributions to be
11 assessed state agencies and participating local public bodies
12 for that fund during that fiscal year shall equal not less
13 than one hundred ten percent of the total incurred claims
14 against that fund in the fiscal year before the preceding
15 fiscal year.

16 D. The director, upon a finding that efficiency
17 and economy so require, may authorize any state agency to
18 purchase insurance for, or otherwise cover, vision, dental,
19 any group or individual health, life, accidental death and
20 dismemberment or disability coverage. Any authorization
21 granted shall be conditioned upon the prior approval by the
22 director of any policy to be purchased and the premium to be
23 paid by the agency."
