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SENATE BILL

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

Mimi Stewart

AN ACT

RELATING TO SCHOOL PERSONNEL; INCREASING EMPLOYER CONTRIBUTIONS
FOR GROUP HEALTH INSURANCE; MAKING AN APPROPRIATION.

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

SECTION 1. Section 22-29-10 NMSA 1978 (being Laws 1989,
Chapter 373, Section 5, as amended) is amended to read:

"22-29-10. GROUP INSURANCE CONTRIBUTIONS.--

A. Group insurance contributions for school
districts, charter schools and participating entities in the
authority shall be made as follows:

(1) at least [~~seventy-five~~] eighty percent of
the cost of the insurance of an employee whose annual salary is
less than fifteen thousand dollars (\$15,000);

(2) at least [~~seventy~~] seventy-five percent of
the cost of the insurance of an employee whose annual salary is

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1 fifteen thousand dollars (\$15,000) or more but less than twenty
2 thousand dollars (\$20,000);

3 (3) at least [~~sixty-five~~] seventy percent of
4 the cost of the insurance of an employee whose annual salary is
5 twenty thousand dollars (\$20,000) or more but less than
6 [~~twenty-five thousand dollars (\$25,000); or~~] forty thousand
7 dollars; and

8 (4) at least sixty percent of the cost of the
9 insurance of an employee whose annual salary is [~~twenty-five~~
10 ~~thousand dollars (\$25,000)~~] forty thousand dollars (\$40,000) or
11 more.

12 B. Within available revenue, school districts,
13 charter schools and participating entities in the authority may
14 contribute up to eighty percent of the cost of the insurance of
15 all employees.

16 C. Whenever a school district, charter school or
17 participating entity in the authority offers to its employees
18 alternative health plan benefit options, including health
19 maintenance organizations, preferred provider organizations or
20 panel doctor plans, the school district, charter school or
21 participating entity may pay an amount on behalf of the
22 employee and family member for the indemnity health insurance
23 plan sufficient to result in equal employee monthly costs to
24 the cost of the health maintenance organization plans,
25 preferred provider organization plans or panel doctor plans,

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1 regardless of the percentage limitations in the Public School
2 Insurance Authority Act. School districts, charter schools and
3 participating entities in the authority may pay up to one
4 hundred percent of the first fifty thousand dollars (\$50,000)
5 of term life insurance."

6 SECTION 2. APPROPRIATION.--Three million six hundred
7 forty-four thousand dollars (\$3,644,000) is appropriated from
8 the general fund to the public education department for
9 expenditure in fiscal year 2022 to distribute to school
10 districts, charter schools and participating entities in the
11 public school insurance authority to pay for increased employer
12 contributions for group health insurance. Any unexpended or
13 unencumbered balance remaining at the end of fiscal year 2022
14 shall revert to the general fund.

15 SECTION 3. EFFECTIVE DATE.--The effective date of the
16 provisions of this act is July 1, 2021.