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SENATE BILL

55TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2022

INTRODUCED BY

Harold Pope, Jr.

FOR THE LEGISLATIVE EDUCATION STUDY COMMITTEE

AN ACT

RELATING TO INSURANCE; AMENDING THE GROUP INSURANCE
CONTRIBUTIONS FOR SCHOOL DISTRICTS, CHARTER SCHOOLS AND
PARTICIPATING ENTITIES IN THE PUBLIC SCHOOL INSURANCE
AUTHORITY; 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 eighty percent of the cost of the
insurance of an employee whose annual salary is less than
twenty-five thousand dollars (\$25,000);

underscoring material = new
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1 [~~(1)~~] (2) at least seventy-five percent of the
2 cost of the insurance of an employee whose annual salary is
3 ~~[less than fifteen thousand dollars (\$15,000)]~~ twenty-five
4 thousand dollars (\$25,000) or more but less than thirty
5 thousand dollars (\$30,000);

6 [~~(2)~~] (3) at least seventy percent of the cost
7 of the insurance of an employee whose annual salary is [~~fifteen~~
8 ~~thousand dollars (\$15,000)]~~ thirty thousand dollars (\$30,000)
9 or more but less than [~~twenty thousand dollars (\$20,000)]~~
10 thirty-five thousand dollars (\$35,000);

11 [~~(3)~~] (4) at least sixty-five percent of the
12 cost of the insurance of an employee whose annual salary is
13 [~~twenty thousand dollars (\$20,000)]~~ thirty-five thousand
14 dollars (\$35,000) or more but less than [~~twenty-five thousand~~
15 ~~dollars (\$25,000); or]~~ forty thousand dollars (\$40,000); and

16 [~~(4)~~] (5) at least sixty percent of the cost
17 of the insurance of an employee whose annual salary is [~~twenty-~~
18 ~~five thousand dollars (\$25,000)]~~ forty thousand dollars
19 (\$40,000) or more.

20 B. Within available revenue, school districts,
21 charter schools and participating entities in the authority may
22 contribute up to eighty percent of the cost of the insurance of
23 all employees.

24 C. Whenever a school district, charter school or
25 participating entity in the authority offers to its employees

underscoring material = new
~~[bracketed material] = delete~~

1 alternative health plan benefit options, including health
2 maintenance organizations, preferred provider organizations or
3 panel doctor plans, the school district, charter school or
4 participating entity may pay an amount on behalf of the
5 employee and family member for the indemnity health insurance
6 plan sufficient to result in equal employee monthly costs to
7 the cost of the health maintenance organization plans,
8 preferred provider organization plans or panel doctor plans,
9 regardless of the percentage limitations in the Public School
10 Insurance Authority Act. School districts, charter schools and
11 participating entities in the authority may pay up to one
12 hundred percent of the first fifty thousand dollars (\$50,000)
13 of term life insurance."

14 SECTION 2. APPROPRIATION.--Ten million five hundred
15 ninety-one thousand dollars (\$10,591,000) is appropriated from
16 the general fund to the state equalization guarantee
17 distribution of the public school fund for expenditure in
18 fiscal year 2023 to assist school districts, charter schools
19 and participating entities in the public school insurance
20 authority with their group insurance contributions. Any
21 unexpended or unencumbered balance remaining at the end of
22 fiscal year 2023 shall revert to the general fund.

23 SECTION 3. EFFECTIVE DATE.--The effective date of the
24 provisions of this act is October 1, 2022.