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HOUSE BILL 36

**56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

INTRODUCED BY

Raymundo Lara

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

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underscored material = new  
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1                   ~~(2) at least seventy percent of the cost of~~  
2 ~~the insurance of an employee whose annual salary is fifteen~~  
3 ~~thousand dollars (\$15,000) or more but less than twenty~~  
4 ~~thousand dollars (\$20,000);~~

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

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

12                   ~~B.]~~ within available revenue, [~~school districts,~~  
13 ~~charter schools and participating entities in the authority may~~  
14 ~~contribute up to]~~ shall be at least eighty percent of the cost  
15 of the insurance of all employees.

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

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

6 SECTION 2. APPROPRIATION.--Seventy million two hundred  
7 forty-eight thousand nine hundred dollars (\$70,248,900) is  
8 appropriated from the general fund to the public education  
9 department for expenditure in fiscal year 2024 to distribute to  
10 school districts, charter schools and participating entities in  
11 the public school insurance authority to pay for increased  
12 employer contributions for group health insurance. Any  
13 unexpended or unencumbered balance remaining at the end of  
14 fiscal year 2024 shall revert to the general fund.

15 SECTION 3. EFFECTIVE DATE.--The effective date of the  
16 provisions of this act is July 1, 2023.