

LFC Requester:	Eric Chenier
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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}

Bill Number: 2.21.25 *Check all that apply:*
HB575 Original Correction
 Amendment Substitute

Sponsor: Linda Serrato **Agency Name and Code:** Retiree Health Care Authority
Short Title: State Employee Benefit Contributions **Number:** 34300
Person Writing: Mark Hayden **Phone:** 505-377-9012 **Email:** mark.hayden@rhca.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		\$50	\$50	\$100	Recurring	RHCA Benefits Fund

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: The Bill amends the contribution percentages for state employee health benefits and group insurance for school districts, charter schools, and participating entities in the Public School Insurance Authority. Effective July 1, 2025, the group insurance contributions for state employee health benefits and participating entities in the Public School Insurance Authority would change to cover eighty percent of the cost of insurance.

FISCAL IMPLICATIONS

Effective July 1, 2025, the group insurance contributions of the state or any state executive, judicial, or legislative departments, including agencies, boards or commissions, school districts, charter schools, and participating entities in the authority, shall now be 80% of the cost of insurance.

This change for this agency, like other employers, would increase costs for the employer, who would now pick up additional contributions for specific individuals who currently receive employer contributions of 60% and 70% towards health insurance to 80%. For the New Mexico Retiree Health Care Authority, the insurance cost to the employer would increase by approximately \$50 thousand for next year.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Current contributions made by the employer would remain the same.

AMENDMENTS

None.