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SENATE BILL 334

46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004

INTRODUCED BY

Richard M. Romero

AN ACT

RELATING TO PUBLIC EMPLOYEES; REVISING THE GROUP INSURANCE
CONTRIBUTIONS OF THE STATE; AMENDING SECTION 10-7-4 NMSA 1978
(BEING LAWS 1941, CHAPTER 188, SECTION 1, AS AMENDED).

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

Section 1. Section 10-7-4 NMSA 1978 (being Laws 1941,
Chapter 188, Section 1, as amended) is amended to read:

"10-7-4. GROUP INSURANCE--CAFETERIA PLAN--CONTRIBUTIONS
FROM PUBLIC FUNDS.--

A. All state departments and institutions and all
political subdivisions of the state, excluding municipalities,
counties and political subdivisions of the state with twenty-
five employees or fewer, shall cooperate in providing group
term life, medical or disability income insurance for the
benefit of eligible employees or salaried officers of the

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1 respective departments, institutions and subdivisions.

2 B. Effective July 1, 2004, the group insurance
3 contributions of the state or any of its departments or
4 institutions, including institutions of higher education and
5 the public schools, shall be made as follows:

6 (1) [~~seventy-five~~] eighty percent of the cost
7 of the insurance of an employee whose annual salary is less
8 than [~~fifteen thousand dollars (\$15,000)~~] thirty thousand
9 dollars (\$30,000);

10 (2) seventy percent of the cost of the
11 insurance of an employee whose annual salary is [~~fifteen~~
12 ~~thousand dollars (\$15,000)~~] thirty thousand dollars (\$30,000)
13 or more but less than [~~twenty thousand dollars (\$20,000)~~] forty
14 thousand dollars (\$40,000); and

15 (3) [~~sixty-five~~] sixty percent of the cost of
16 the insurance of an employee whose annual salary is [~~twenty~~
17 ~~thousand dollars (\$20,000)~~] forty thousand dollars (\$40,000) or
18 more. [~~but less than twenty-five thousand dollars (\$25,000)~~;
19 or

20 (4) ~~sixty percent of the cost of the insurance~~
21 ~~of an employee whose annual salary is twenty-five thousand~~
22 ~~dollars (\$25,000) or more; and (5)]~~

23 C. Effective July 1, 2005, the group insurance
24 contributions of the state or any of its departments or
25 institutions, including institutions of higher education and

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1 the public schools, shall be made as follows:

2 (1) eighty percent of the cost of the
3 insurance of an employee whose annual salary is less than fifty
4 thousand dollars (\$50,000);

5 (2) seventy percent of the cost of the
6 insurance of an employee whose annual salary is fifty thousand
7 dollars (\$50,000) or more but less than sixty thousand dollars
8 (\$60,000); and

9 (3) sixty percent of the cost of the insurance
10 of an employee whose annual salary is sixty thousand dollars
11 (\$60,000) or more.

12 D. The state shall not make any group insurance
13 contributions for legislators. A legislator shall be eligible
14 for group benefits only if the legislator contributes one
15 hundred percent of the cost of the insurance.

16 E. As used in [~~this subsection~~] Subsections B
17 through D of this section, "cost of the insurance" means the
18 premium required to be paid to provide coverages. Any
19 contributions of the political subdivisions of the state,
20 except the public schools and political subdivisions of the
21 state with twenty-five employees or fewer, shall not exceed
22 sixty percent of the cost of the insurance.

23 [~~G.~~] F. When a public employee elects to
24 participate in a cafeteria plan as authorized by the Cafeteria
25 Plan Act and enters into a salary reduction agreement with the

