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AN ACT

RELATING TO PUBLIC EMPLOYEES; AMENDING THE PUBLIC EMPLOYEES
RETIREMENT ACT AND PUBLIC EMPLOYER GROUP INSURANCE
PROVISIONS; REQUIRING THAT AN AFFILIATED PUBLIC EMPLOYER PAY
CERTAIN EMPLOYEES' MEMBER CONTRIBUTIONS AND GROUP INSURANCE
CONTRIBUTIONS IF THE EMPLOYEE SUSTAINS A NON-ADMINISTRATIVE
WORK-RELATED INJURY RENDERING THE EMPLOYEE ABSENT FROM WORK
ON APPROVED WORKERS' COMPENSATION LEAVE.

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 respective departments, institutions and
political subdivisions.

B. The group insurance contributions of the state
or any of its departments or institutions, including
institutions of higher education and the public schools,

1 shall be made as follows:

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

5 (2) at least seventy percent of the cost of
6 the insurance of an employee whose annual salary is fifteen
7 thousand dollars (\$15,000) or more but less than twenty
8 thousand dollars (\$20,000);

9 (3) at least sixty-five percent of the cost
10 of the insurance of an employee whose annual salary is twenty
11 thousand dollars (\$20,000) or more but less than twenty-five
12 thousand dollars (\$25,000); and

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

16 C. Effective July 1, 2004, the group insurance
17 contributions of the state or any of its executive, judicial
18 or legislative departments, including agencies, boards or
19 commissions, shall be made as follows; provided that the
20 contribution percentage shall be the same for all affected
21 public employees in a given salary bracket:

22 (1) up to eighty percent of the cost of the
23 insurance of an employee whose annual salary is less than
24 thirty thousand dollars (\$30,000);

25 (2) up to seventy percent of the cost of the

1 insurance of an employee whose annual salary is thirty
2 thousand dollars (\$30,000) or more but less than forty
3 thousand dollars (\$40,000); and

4 (3) up to sixty percent of the cost of the
5 insurance of an employee whose annual salary is forty
6 thousand dollars (\$40,000) or more.

7 D. Except as provided in Subsection G of this
8 section, effective July 1, 2005, the group insurance
9 contributions of the state or any of its executive, judicial
10 or legislative departments, including agencies, boards or
11 commissions, shall be made as follows; provided that the
12 contribution percentage shall be the same for all affected
13 public employees in a given salary bracket:

14 (1) up to eighty percent of the cost of the
15 insurance of an employee whose annual salary is less than
16 fifty thousand dollars (\$50,000);

17 (2) up to seventy percent of the cost of the
18 insurance of an employee whose annual salary is fifty
19 thousand dollars (\$50,000) or more but less than sixty
20 thousand dollars (\$60,000); and

21 (3) up to sixty percent of the cost of the
22 insurance of an employee whose annual salary is sixty
23 thousand dollars (\$60,000) or more.

24 E. Effective July 1, 2013, the employer shall pay
25 one hundred percent of basic life insurance premiums for

1 employees, and employees who choose to carry disability
2 insurance shall pay one hundred percent of the premium.

3 F. The state shall not make any group insurance
4 contributions for legislators. A legislator shall be
5 eligible for group benefits only if the legislator
6 contributes one hundred percent of the cost of the insurance.

7 G. An employer shall pay one hundred percent of
8 the employee group insurance contributions due and payable on
9 or after July 1, 2016 for an employee who is injured while
10 performing a public safety function or duty and, as a result
11 of the injury, is placed on approved workers' compensation
12 leave.

13 H. As used in this section, "cost of the
14 insurance" means the premium required to be paid to provide
15 coverages. Any contributions of the political subdivisions
16 of the state, except the public schools and political
17 subdivisions of the state with twenty-five employees or
18 fewer, shall not exceed sixty percent of the cost of the
19 insurance.

20 I. When a public employee elects to participate in
21 a cafeteria plan as authorized by the Cafeteria Plan Act and
22 enters into a salary reduction agreement with the
23 governmental employer, the provisions of Subsections B
24 through F of this section with respect to the maximum
25 contributions that can be made by the employer are not

1 violated and will still apply. The employer percentage or
2 dollar contributions as provided in Subsections B through D
3 of this section shall be determined by the employee's gross
4 salary prior to any salary reduction agreement.

5 J. Any group medical insurance plan offered
6 pursuant to this section shall include effective cost-
7 containment measures to control the growth of health care
8 costs. The responsible public body that administers a plan
9 offered pursuant to this section shall report annually by
10 September 1 to appropriate interim legislative committees on
11 the effectiveness of the cost-containment measures required
12 by this subsection.

13 K. Within available revenue, school districts,
14 charter schools, participating entities pursuant to the
15 Public School Insurance Authority Act and institutions of
16 higher education may contribute up to eighty percent of the
17 cost of the insurance of all employees."

18 SECTION 2. A new section of the Public Employees
19 Retirement Act is enacted to read:

20 "SERVICE CREDIT FOR CERTAIN INJURED MEMBERS ON APPROVED
21 WORKERS' COMPENSATION LEAVE.--

22 A. A member whose affiliated public employer has
23 provided written certification to the association, in the
24 form and manner prescribed by the association, that the
25 employee was injured while performing a work-related function

1 or duty in an inherently dangerous location or under
2 inherently dangerous circumstances and that the member is
3 absent from work and has been placed on approved workers'
4 compensation leave as a result of the injury shall accrue
5 service credit for the period of absence from work while on
6 workers' compensation leave; provided that:

7 (1) the member is a peace officer covered
8 pursuant to state general member coverage plan 3; a state
9 police member; an adult correctional officer member; a
10 municipal fire member; a municipal police member; or a
11 municipal detention officer member;

12 (2) the member retains membership in the
13 association during the period of absence from work on
14 approved workers' compensation leave; and

15 (3) the member's affiliated public employer
16 pays the injured employee's member contributions as well as
17 the employer contributions and remits to the association the
18 total amount of employee and employer contributions that
19 would have been paid if the member had not been absent from
20 work while on approved workers' compensation leave. The
21 contribution amounts shall be calculated based upon a salary
22 equal to the member's salary at the time of the injury.

23 B. The affiliated public employer shall provide an
24 appeal process for an injured employee on approved workers'
25 compensation leave who is determined by the affiliated public

