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HOUSE BILL 812

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Ben Lujan

AN ACT

RELATING TO RETIREE HEALTH CARE; PROVIDING FOR ACCOUNTABILITY
AND SUSTAINABILITY OF THE RETIREE HEALTH CARE FUND.

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

Section 1. Section 10-7C-8 NMSA 1978 (being Laws 1990,
Chapter 6, Section 8) is amended to read:

"10-7C-8. FUND CREATED--INVESTMENT--PREMIUMS--
APPROPRIATION.--

A. There is created the "retiree health care fund".
All money in the fund shall be invested as provided for in
Subsection D of this section. All income earned from
investment of the fund shall be credited to the fund. Except
as otherwise specifically provided [~~herein~~] in the Retiree
Health Care Act, the money in the fund is appropriated to the
board to carry out the provisions of [~~the Retiree Health Care~~]

underscoring material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 that act. Any funds remaining at the end of any fiscal year
2 shall not revert to the general fund.

3 B. The board shall provide for the collection of
4 premiums from eligible retirees and eligible dependents, which
5 money when combined with other money appropriated to the fund
6 shall be sufficient to provide the required insurance coverage
7 and to pay the expenses of the authority. All premiums and
8 other money appropriated to the fund shall be credited to the
9 fund.

10 C. ~~[All premiums and other money collected by the~~
11 ~~authority shall be received and disbursed directly by the~~
12 ~~authority.]~~ Disbursements from the fund other than to procure
13 and pay for a basic plan of benefits, group health insurance,
14 administration, claims, cost containment and related
15 activities, shall be made only upon warrant drawn by the
16 secretary of finance and administration pursuant to vouchers
17 signed by the director of the authority; provided that the
18 president of the board may sign vouchers if the position of
19 director is vacant. Receipts and disbursements are subject to
20 audit by the state auditor.

21 D. ~~[The board shall determine]~~ Before determining
22 which money in the fund constitutes the long-term reserves of
23 the authority, the board shall obtain investment advice from
24 state agencies with investment expertise, including the state
25 treasurer, the state investment council, the state investment

.152731.2

underscoring material = new
[bracketed material] = delete

1 officer and the state board of finance. The state investment
2 officer shall invest the long-term reserves of the authority in
3 accordance with the provisions of Sections 6-8-1 through 6-8-16
4 NMSA 1978. The state treasurer shall invest the money in the
5 fund that does not constitute the long-term reserves of the
6 fund in accordance with the applicable provisions of Chapter 6,
7 Article 10 NMSA 1978.

8 E. The fund shall be maintained in actuarially
9 sound condition as evidenced by the annual written
10 certification of a qualified actuary."