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AN ACT

RELATING TO PUBLIC EMPLOYEE RETIREMENT; PROVIDING ADDITIONAL
OPTIONS TO CHANGE THE SURVIVOR BENEFICIARY FOR RETIRED
MEMBERS WHO HAVE DESIGNATED A SPOUSE AS A SURVIVOR
BENEFICIARY.

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

SECTION 1. Section 10-11-116 NMSA 1978 (being Laws
1987, Chapter 253, Section 116, as amended) is amended to
read:

"10-11-116. ELECTION OF FORM OF PAYMENT OF A PENSION.--

A. Except as otherwise provided in Section
10-11-136 NMSA 1978, a member may elect to have pension payments
made under any one of the forms of payment provided in Section
10-11-117 NMSA 1978. The election of form of payment and naming
of survivor beneficiary shall be made on a form furnished by and
filed with the association prior to the date the first pension
payment is made. An election of form of payment may not be
changed after the date the first pension payment is made. If
the member is married, the association shall obtain the consent
of the member's spouse to the election of the form of payment
and any designation of survivor beneficiary before the election
or designation is effective. Except as provided in Subsection
C, D or E of this section, a named survivor beneficiary may not
be changed after the date the first pension payment is made if

1 form of payment B or C is elected. Except as otherwise
2 provided in Section 10-11-136 NMSA 1978, payment shall be
3 made:

4 (1) under form of payment A if the member is
5 not married at the time of retirement and if there is not a
6 timely election of another form of payment; or

7 (2) under form of payment C with the
8 member's spouse as survivor beneficiary if the member is
9 married at the time of retirement and there is not a timely
10 election of another form of payment.

11 B. The amount of pension under forms of payment B,
12 C and D shall have the same actuarial present value, computed
13 as of the effective date of the pension, as the amount of
14 pension under form of payment A.

15 C. A retired member who is being paid a pension
16 under form of payment B or C with the member's spouse as the
17 designated survivor beneficiary may:

18 (1) exercise a one-time irrevocable option
19 to designate another individual as the survivor beneficiary
20 and may select either form of payment B or form of payment C;
21 provided that:

22 (a) the amount of the pension under the
23 form of payment selected shall be recalculated and have the
24 same actuarial present value, computed on the effective date
25 of the designation, as the amount of pension under form of

1 payment A;

2 (b) the member's spouse provides a
3 notarized, written statement expressing the spouse's consent
4 to relinquish the designation as a survivor beneficiary; and

5 (c) the retired member shall pay one
6 hundred dollars (\$100) to the retirement board to defray the
7 cost of determining the new pension amount;

8 (2) upon becoming divorced from the named
9 spouse and subject to an order of a court as provided for in
10 Section 10-11-136 NMSA 1978, elect to have future payments
11 made under form of payment A; or

12 (3) upon becoming divorced from the named
13 spouse, exercise a one-time irrevocable option to designate
14 another individual as the survivor beneficiary and may
15 select either form of payment B or form of payment C;
16 provided that:

17 (a) the amount of the pension under the
18 form of payment selected shall be recalculated and have the
19 same actuarial present value, computed on the effective date
20 of the designation, as the amount of pension under form of
21 payment A;

22 (b) the designation and the amount of
23 the pension shall be subject to a court order as provided for
24 in Section 10-11-136 NMSA 1978; and

25 (c) the retired member shall pay one

1 hundred dollars (\$100) to the retirement board to defray the
2 cost of determining the new pension amount.

3 D. A retired member who was previously being paid
4 a pension under form of payment B or C but, because of the
5 death of or divorce from the designated survivor beneficiary,
6 is currently receiving a pension under form of payment A may
7 exercise a one-time irrevocable option to designate another
8 individual as the survivor beneficiary and may select either
9 form of payment B or form of payment C; provided that:

10 (1) the amount of the pension under the form
11 of payment selected shall be recalculated and have the same
12 actuarial present value, computed on the effective date of
13 the designation, as the amount of pension under form of
14 payment A;

15 (2) the designation and the amount of the
16 pension shall be subject to a court order as provided for in
17 Section 10-11-136 NMSA 1978; and

18 (3) the retired member shall pay one hundred
19 dollars (\$100) to the retirement board to defray the cost of
20 determining the new pension amount.

21 E. A retired member who is being paid a pension
22 under form of payment B or C with a living designated
23 survivor beneficiary other than the retired member's spouse
24 or former spouse may exercise a one-time irrevocable option
25 to deselect the designated beneficiary and elect to:

1 (1) designate another survivor beneficiary
2 and may select either form of payment B or form of payment C,
3 provided that:

4 (a) the amount of the pension under the
5 form of payment shall be recalculated and shall have the same
6 actuarial present value, computed as of the effective date of
7 the designation, as the amount of pension under form of
8 payment A; and

9 (b) the retired member shall pay one
10 hundred dollars (\$100) to the retirement board to defray the
11 cost of determining the new pension amount; or

12 (2) have future payments made under form of
13 payment A."

14 SECTION 2. EFFECTIVE DATE.--The effective date of the
15 provisions of this act is July 1, 2021. _____

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