

**NMERB Draft Bill Summary-
Proposed 2019 Legislation**

SECTION OF DRAFT BILL	PLAN CHANGE ELEMENT	EFFECT ON EDUCATIONAL RETIREMENT ACT	LOCATION IN DRAFT BILL
<u>Section 1</u> (related to section 6)	Increase in employer contributions —1% each year for 3 years	Amends section 22-11-21	See p. 1, line 25 through p. 4, line 6 of draft bill.
<u>Section 2</u> (related to section 5-tiered multipliers and minimum retirement age of 58)	New member requirements - Tiered multipliers; “soft” minimum retirement age 58	New section 22-11-23.3	See p. 4, lines 7 through 22 of draft bill.
<u>Section 3</u>	Modifications to Return to Work	Amends section 22-11-25.1	See p. 4, line 23 through p. 8, line 15.
<u>Section 4</u>	PERA retirees will make contributions	Amends section 22-11-25.2	See p. 8, line 16 through p. 9, line 10.
<u>Section 5</u> (tiered multipliers) (related to section 2)	New hires have variable tiered multipliers based on years of service	Amends section 22-11-30.	See p. 14, line 25 through p. 16, line 1.
<u>Section 5</u> (“soft” minimum retirement age of 58) (related to section 2)	Minimum retired age of 58. Benefit is actuarially reduced if ERB member retires before reaching the age of 58	Amends section 22-11-30	See p. 16, line 2 through line 20.
<u>Section 5</u> (anti-spiking)	Anti-spiking. Limits increase to average annual salary based on income spiking of more than 30% per year	Adds new language to section 22-11-30	See p. 16, line 21 through p. 18, line 7.
<u>Section 6</u> (related to section 1)	Increase in employer contributions (Alternative Retirement Plan)	Amends section 22-11-49	See p. 18, line 13 through p. 20, line 3.
<u>Section 7</u>	Substitute teachers who work more than .25 FTE are considered ERB members	New material	See p. 20, lines 4 through 10.
<u>Section 8</u>	Restitution to fund of \$248.3 million	Supplemental appropriation	See p. 20, lines 11-18.
<u>Section 9</u>	Effective date - July 1, 2019		See p. 20, lines 19-20.