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SENATE BILL 206

47TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2006

INTRODUCED BY

John Arthur Smith

FOR THE STATE PERMANENT FUND TASK FORCE

AN ACT

RELATING TO EDUCATIONAL RETIREMENT; ADJUSTING RETIREMENT
ELIGIBILITY REQUIREMENTS.

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

Section 1. Section 22-11-23 NMSA 1978 (being Laws 1981,
Chapter 293, Section 2, as amended) is amended to read:

"22-11-23. RETIREMENT ELIGIBILITY.--

A. On and after July 1, 1984:

(1) a member shall be eligible for retirement
benefits pursuant to the Educational Retirement Act when
[~~either~~] any of the following conditions occurs:

(a) for a person becoming a member prior
to July 1, 2006, the sum of the member's age and years of
earned service credit equals seventy-five; [~~or~~]

(b) for a person becoming a member on or

underscored material = new
[bracketed material] = delete

1 after July 1, 2006, the sum of the member's age and years of
2 earned service credit equals eighty; or

3 [~~(b)~~] (c) upon completion of five years
4 of earned service credit and upon becoming sixty-five years of
5 age;

6 (2) a member under sixty years of age eligible
7 to retire under Paragraph (1) of this subsection may retire and
8 receive retirement benefits pursuant to the Educational
9 Retirement Act that [~~he~~] the member would be eligible to
10 receive if [~~he~~] the member were to retire at the age of sixty
11 years reduced by six-tenths of one percent for each one-fourth,
12 or portion thereof, year that retirement occurs prior to the
13 member's sixtieth birthdate but after the fifty-fifth
14 birthdate, and one and eight-tenths percent for each one-
15 fourth, or portion thereof, year that retirement occurs prior
16 to age fifty-five; or

17 (3) a member under sixty years of age
18 acquiring twenty-five or more years of earned and allowed
19 service credit may retire and receive retirement benefits
20 pursuant to the Educational Retirement Act computed on the same
21 basis as if the member were sixty years of age.

22 B. A member shall be subject to the provisions of
23 Paragraphs (2) and (3) of Subsection A of this section as they
24 existed at the beginning of [~~his~~] the member's last cumulated
25 four quarters of earned service credit, regardless of later

.159926.2

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1 amendment."

2 Section 2. Section 22-11-27 NMSA 1978 (being Laws 1967,
3 Chapter 16, Section 150, as amended) is amended to read:

4 "22-11-27. DEFERRED RETIREMENT--RESTRICTION.--

5 A. A member eligible for retirement may continue in
6 employment and shall continue to pay contributions as provided
7 by the Educational Retirement Act.

8 B. A member may terminate [~~his~~] employment and
9 retire at any time after [~~his~~] the member's age and [~~his~~]
10 earned service credit equal the sum of seventy-five if the
11 retirement is effective prior to July 1, 2006, or the sum of
12 eighty if the retirement is effective on or after July 1, 2006;
13 provided that the contributions [~~he~~] the member has made are
14 left in the fund.

15 C. A member having five years or more of earned
16 service credit may terminate [~~his~~] employment and retire at any
17 time after reaching the age of sixty-five years if the
18 contributions [~~he~~] the member has made are left in the fund.

19 D. No member shall be on a retirement status while
20 engaged in employment unless the employment falls within
21 exceptions established by statute or rule of the board."

22 Section 3. EFFECTIVE DATE.--The effective date of the
23 provisions of this act is July 1, 2006.

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