HOUSE BILL 721

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY

Jack E. Thomas

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AN ACT

RELATING TO EDUCATIONAL RETIREMENT; AMENDING THE EDUCATIONAL RETIREMENT ACT TO EXTEND THE PERIOD DURING WHICH RETIRED MEMBERS MAY RETURN TO WORK, TO REQUIRE ADDITIONAL CONTRIBUTIONS ON BEHALF OF RETIRED MEMBERS WHO RETURN TO WORK AND TO PROVIDE CERTAIN CONDITIONS BEFORE RETURNING TO WORK; RECONCILING MULTIPLE AMENDMENTS TO THE SAME SECTION OF LAW IN LAWS 2003.

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

Section 1. Section 22-11-25.1 NMSA 1978 (being Laws 2001, Chapter 283, Section 2, as amended by Laws 2003, Chapter 80, Section 1 and by Laws 2003, Chapter 145, Section 1) is amended to read:

"22-11-25.1. RETURN TO EMPLOYMENT--BENEFITS CONTINUED--ADMINISTRATIVE UNIT CONTRIBUTIONS.--

Except as provided in Subsections B and [E] F of .176789.1

this section, beginning January 1, 2002 and continuing until January 1, [2012] 2022, a retired member may begin employment at a local administrative unit and shall not be required to suspend retirement benefits if the member has not [been employed as an employee or independent contractor by] rendered service to a local administrative unit for at least twelve consecutive months [from] after the date of retirement [to the commencement of employment or reemployment with a local administrative unit]. If the retired member returns to employment without first completing twelve consecutive months of retirement, the retired member shall remove himself or herself from retirement.

- B. A retired member who was retired on or before

 January 1, 2001 and has not since suspended or been required to suspend retirement benefits pursuant to the Educational

 Retirement Act [and is reemployed by a local administrative unit may continue employment at the] may, at any time prior to January 1, 2022, return to employment for a local administrative unit and shall not be required to suspend retirement benefits.
- C. A retired member who returns to employment during retirement pursuant to Subsection A, [or] B or F of this section is entitled to continue to receive retirement benefits but is not entitled to acquire service credit or to acquire or purchase service credit in the future for the period of the .176789.1

retired member's reemployment with a local administrative unit.

D. A retired member shall not be eligible to return to employment pursuant to Subsection A, B or F of this section unless an application to return to work, on a form prescribed by the board, has been submitted to, and approved by, the board and the applicant has complied with such other rules as promulgated by the board.

[D.] E. A retired member who returns to employment pursuant to [Subsections] Subsection A, [or] B or F of this section shall not make contributions to the fund as specified in the Educational Retirement Act; however, the local administrative [unit's contributions as specified in that act shall be paid to the fund as] unit employing the retired member shall pay to the fund an amount equal to the total of the member contributions and the local administrative unit contributions that would be required pursuant to Section 22-11-21 NMSA 1978 if the retired member was a non-retired employee.

[E.] F. Beginning July 1, 2003 and continuing until January 1, [2012] 2022, a retired member who retired on or before January 1, 2001, [and who has not been employed as an employee or independent contractor by] who subsequently voluntarily suspended or was required to suspend retirement benefits and who has not rendered service to a local administrative unit for at least ninety days may begin .176789.1

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employment at a local administrative unit without suspending retirement benefits if the retired member was not employed by a local administrative unit for an additional twelve or more consecutive months after the initial date of the retirement; provided that the ninety-day period shall not include any part of a summer or other scheduled break or vacation period.

G. As used in Subsections A and F of this section:

(1) "rendered service to a local administrative unit" includes employment by a local administrative unit, whether full or part time; substitute teaching; voluntarily performing duties for a local administrative unit that would otherwise be, or in the past have been, performed by a paid employee or independent contractor; or performing duties for a local administrative unit as an independent contractor or an employee of an independent contractor; and

(2) "local administrative unit" includes any entity incorporated, formed or otherwise organized by, or subject to the control of a local administrative unit, whether or not the entity is created for profit or nonprofit purposes."

Section 2. EFFECTIVE DATE. -- The effective date of the provisions of this act is July 1, 2009.

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