

HOUSE BILL 338

**54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

INTRODUCED BY

Tomás E. Salazar

AN ACT

RELATING TO PUBLIC PENSIONS; ADDRESSING THE ACTUARIAL SOLVENCY  
OF THE PUBLIC EMPLOYEES RETIREMENT ACT FUND; DEFINING "FUNDED  
RATIO" AND "COVERAGE PLAN FUNDED RATIO"; RAISING CERTAIN  
EMPLOYEE AND EMPLOYER COVERAGE PLAN CONTRIBUTIONS TO THE FUND  
FOR FISCAL YEARS 2020, 2021 AND 2022; BEGINNING JULY 1, 2022,  
ALTERING COVERAGE PLAN CONTRIBUTIONS DEPENDING ON COVERAGE PLAN  
FUNDED RATIOS; BEGINNING IN DECEMBER 2021, REQUIRING THE PUBLIC  
EMPLOYEES RETIREMENT BOARD TO ANNUALLY CERTIFY THE FUNDED RATIO  
OF COVERAGE PLANS; REPEALING AND REENACTING THE PUBLIC  
EMPLOYEES RETIREMENT ACT COST-OF-LIVING ADJUSTMENT PROVISIONS;  
SUSPENDING COST-OF-LIVING ADJUSTMENTS FOR FISCAL YEARS 2020,  
2021 AND 2022; BEGINNING JULY 1, 2022, PROVIDING NEW  
ELIGIBILITY REQUIREMENTS FOR COST-OF-LIVING ADJUSTMENTS TO  
PUBLIC EMPLOYEES RETIREMENT ACT PENSIONS OF NORMAL RETIRED  
GENERAL COVERAGE PLAN MEMBERS, NORMAL RETIRED LEGISLATOR

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1 MEMBERS AND NORMAL PUBLIC SAFETY COVERAGE PLAN MEMBERS;  
2 MAINTAINING CURRENT COST-OF-LIVING ADJUSTMENT ELIGIBILITY  
3 REQUIREMENTS FOR CERTAIN RETIREES; BEGINNING JULY 1, 2022,  
4 USING A FORMULA BASED ON THE FUNDED RATIO AND THE CONSUMER  
5 PRICE INDEX TO SET ANNUAL COST-OF-LIVING ADJUSTMENTS, BUT  
6 ALLOWING NO REDUCTION IN BENEFITS; CREATING CAPS ON ANNUAL  
7 COST-OF-LIVING ADJUSTMENTS; ALLOWING DECLINATION OF COST-OF-  
8 LIVING ADJUSTMENTS.

9  
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

11 SECTION 1. Section 10-11-2 NMSA 1978 (being Laws 1987,  
12 Chapter 253, Section 2, as amended) is amended to read:

13 "10-11-2. DEFINITIONS.--As used in the Public Employees  
14 Retirement Act:

15 A. "accumulated member contributions" means the  
16 amounts deducted from the salary of a member and credited to  
17 the member's individual account, together with interest, if  
18 any, credited to that account;

19 B. "affiliated public employer" means the state and  
20 any public employer affiliated with the association as provided  
21 in the Public Employees Retirement Act, but does not include an  
22 employer pursuant to the Magistrate Retirement Act, the  
23 Judicial Retirement Act or the Educational Retirement Act;

24 C. "association" means the public employees  
25 retirement association established under the Public Employees

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1 Retirement Act;

2 D. "coverage plan funded ratio" means the ratio of  
3 the actuarial value of the assets of a coverage plan to the  
4 actuarial accrued liability of the association for payments  
5 from that coverage plan, as determined by the association's  
6 actuaries;

7 ~~[D-]~~ E. "disability retired member" means a retired  
8 member who is receiving a pension pursuant to the disability  
9 retirement provisions of the Public Employees Retirement Act;

10 ~~[E-]~~ F. "disability retirement pension" means the  
11 pension paid pursuant to the disability retirement provisions  
12 of the Public Employees Retirement Act;

13 ~~[F-]~~ G. "educational retirement system" means that  
14 retirement system provided for in the Educational Retirement  
15 Act;

16 ~~[G-]~~ H. "employee" means any employee of an  
17 affiliated public employer;

18 ~~[H-]~~ I. "federal social security program" means  
19 that program or those programs created and administered  
20 pursuant to the act of congress approved August 14, 1935,  
21 Chapter 531, 49 Stat. 620, as that act may be amended;

22 ~~[I-]~~ J. "final average salary" means the final  
23 average salary calculated in accordance with the provisions of  
24 the applicable coverage plan;

25 ~~[J-]~~ K. "form of payment" means the applicable form

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1 of payment of a pension provided for in Section 10-11-117 NMSA  
2 1978;

3 ~~[K-]~~ L. "former member" means a person who was  
4 previously employed by an affiliated public employer, who has  
5 terminated that employment and who has received a refund of  
6 member contributions;

7 ~~[H-]~~ M. "fund" means the funds included under the  
8 Public Employees Retirement Act;

9 N. "funded ratio" means the ratio of the actuarial  
10 value of the assets of the fund to the actuarial accrued  
11 liability of the association for payments from the fund, as  
12 determined by the association's actuaries;

13 ~~[M-]~~ O. "member" means a currently employed,  
14 contributing employee of an affiliated public employer, or a  
15 person who has been but is not currently employed by an  
16 affiliated public employer, who has not retired and who has not  
17 received a refund of member contributions; "member" also  
18 includes the following:

19 (1) "adult correctional officer member" means  
20 a member who is employed as an adult correctional officer or an  
21 adult correctional officer specialist by a state correctional  
22 facility of the corrections department or its successor agency;

23 (2) "juvenile correctional officer member"  
24 means a member who is employed as a juvenile correctional  
25 officer by the children, youth and families department or its

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1 successor agency;

2 (3) "municipal detention officer member" means  
3 a member who is employed by an affiliated public employer other  
4 than the state and who has inmate custodial responsibilities at  
5 a facility used for the confinement of persons charged with or  
6 convicted of a violation of a law or ordinance;

7 (4) "municipal fire member" means any member  
8 who is employed as a full-time nonvolunteer firefighter by an  
9 affiliated public employer and who has taken the oath  
10 prescribed for firefighters;

11 (5) "municipal police member" means any member  
12 who is employed as a police officer by an affiliated public  
13 employer, other than the state, and who has taken the oath  
14 prescribed for police officers; and

15 (6) "state police member" means a member who  
16 is an officer of the New Mexico state police and who has taken  
17 the oath prescribed for such officers, except that a state  
18 police member shall not include a member who is an officer of  
19 the New Mexico state police division and who was certified and  
20 commissioned as of June 30, 2015 in the former motor  
21 transportation division or the former special investigations  
22 division of the department of public safety;

23 [~~N-~~] P. "membership" means membership in the  
24 association;

25 [~~Q-~~] Q. "pension" means a series of monthly

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1 payments to a retired member or survivor beneficiary as  
2 provided in the Public Employees Retirement Act;

3 [P-] R. "public employer" means the state, any  
4 municipality, city, county, metropolitan arroyo flood control  
5 authority, economic development district, regional housing  
6 authority, soil and water conservation district, entity created  
7 pursuant to a joint powers agreement, council of government,  
8 conservancy district, irrigation district, water and sanitation  
9 district, water district and metropolitan water board,  
10 including the boards, departments, bureaus and agencies of a  
11 public employer, so long as these entities fall within the  
12 meaning of governmental plan as that term is used in Section  
13 414(d) of the Internal Revenue Code of 1986, as amended;

14 [Q] S. "refund beneficiary" means a person  
15 designated by the member, in writing, in the form prescribed by  
16 the association, as the person who would be refunded the  
17 member's accumulated member contributions payable if the member  
18 dies and no survivor pension is payable or who would receive  
19 the difference between pension paid and accumulated member  
20 contributions if the retired member dies before receiving in  
21 pension payments the amount of the accumulated member  
22 contributions;

23 [R-] T. "retire" means to:

24 (1) terminate employment with all employers  
25 covered by any state system or the educational retirement

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1 system; and

2 (2) receive a pension from a state system or  
3 the educational retirement system;

4 [~~S.~~] U. "retired member" means a person who has met  
5 all requirements for retirement and who is receiving a pension  
6 from the fund;

7 [~~T.~~] V. "retirement board" means the retirement  
8 board provided for in the Public Employees Retirement Act;

9 [~~U.~~] W. "salary" means the base salary or wages  
10 paid a member, including longevity pay, for personal services  
11 rendered an affiliated public employer. "Salary" shall not  
12 include overtime pay, allowances for housing, clothing,  
13 equipment or travel, payments for unused sick leave, unless the  
14 unused sick leave payment is made through continuation of the  
15 member on the regular payroll for the period represented by  
16 that payment, and any other form of remuneration not  
17 specifically designated by law as included in salary for Public  
18 Employees Retirement Act purposes. Salary in excess of the  
19 limitations set forth in Section 401(a)(17) of the Internal  
20 Revenue Code of 1986, as amended, shall be disregarded. The  
21 limitation on compensation for eligible employees shall not be  
22 less than the amount that was allowed to be taken into account  
23 under the state retirement system acts in effect on July 1,  
24 1993. For purposes of this subsection, "eligible employee"  
25 means an individual who was a member of a state system before

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1 the first plan year beginning after December 31, 1995;  
2 [V-] X. "state system" means the retirement  
3 programs provided for in the Public Employees Retirement Act,  
4 the Magistrate Retirement Act and the Judicial Retirement Act;

5 [W-] Y. "state retirement system acts" means  
6 collectively the Public Employees Retirement Act, the  
7 Magistrate Retirement Act, the Judicial Retirement Act and the  
8 Volunteer Firefighters Retirement Act; and

9 [X-] Z. "survivor beneficiary" means a person who  
10 receives a pension or who has been designated to be paid a  
11 pension as a result of the death of a member or retired  
12 member."

13 SECTION 2. Section 10-11-26.5 NMSA 1978 (being Laws 1994,  
14 Chapter 128, Section 6, as amended) is amended to read:

15 "10-11-26.5. STATE GENERAL MEMBER COVERAGE PLAN 3--MEMBER  
16 CONTRIBUTION RATE.--A member under state general member  
17 coverage plan 3 shall contribute seven and forty-two hundredths  
18 percent of salary starting with the first full pay period that  
19 ends within the calendar month in which state general member  
20 coverage plan 3 becomes applicable to the member, except that a  
21 member whose annual salary is greater than twenty thousand  
22 dollars (\$20,000) shall contribute [~~eight and ninety-two~~  
23 ~~hundredths percent of salary~~]:

24 A. beginning July 1, 2019 and continuing through  
25 June 30, 2022, ten and forty-two hundredths percent of salary;



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1 and

2 B. beginning July 1, 2022 and each July 1  
3 thereafter, if the retirement board has certified to the  
4 association by the immediately preceding December 1 that the  
5 coverage plan funded ratio is:

6 (1) less than or equal to eighty percent, ten  
7 and forty-two hundredths percent of salary;

8 (2) greater than eighty percent but less than  
9 eighty-five percent, ten and twenty-seven hundredths percent of  
10 salary;

11 (3) equal to or greater than eighty-five  
12 percent but less than ninety percent, ten and seven-hundredths  
13 percent of salary;

14 (4) equal to or greater than ninety percent  
15 but less than ninety-five percent, nine and sixty-seven  
16 hundredths percent of salary;

17 (5) equal to or greater than ninety-five  
18 percent but less than one hundred percent, nine and forty-two  
19 hundredths percent of salary; and

20 (6) equal to or greater than one hundred  
21 percent, eight and ninety-two hundredths percent of salary."

22 SECTION 3. Section 10-11-26.6 NMSA 1978 (being Laws 1994,  
23 Chapter 128, Section 7, as amended) is amended to read:

24 "10-11-26.6. STATE GENERAL MEMBER COVERAGE PLAN 3--STATE  
25 CONTRIBUTION RATE.--The state shall contribute [~~sixteen and~~

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1 ~~ninety-nine hundredths percent~~] the following percentages of  
2 the salary of each member covered by state general member  
3 coverage plan 3 starting with the first pay period that ends  
4 within the calendar month in which state general member  
5 coverage plan 3 becomes applicable to the member [~~except that,~~  
6 ~~from July 1, 2013 through June 30, 2014, the state contribution~~  
7 ~~rate shall be sixteen and fifty-nine hundredths percent of the~~  
8 ~~salary of each member~~]:

9 A. beginning July 1, 2019 and continuing through  
10 June 30, 2022, eighteen and ninety-nine hundredths percent of  
11 salary; and

12 B. beginning July 1, 2022 and each July 1  
13 thereafter, if the retirement board has certified to the  
14 association by the immediately preceding December 1 that the  
15 coverage plan funded ratio is:

16 (1) less than or equal to eighty percent,  
17 eighteen and seventy-four hundredths percent of salary;

18 (2) greater than eighty percent but less than  
19 eighty-five percent, eighteen and forty-nine hundredths percent  
20 of salary;

21 (3) equal to or greater than eighty-five  
22 percent but less than ninety percent, eighteen and twenty-four  
23 hundredths percent of salary;

24 (4) equal to or greater than ninety percent  
25 but less than ninety-five percent, seventeen and ninety-nine

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1 hundredths percent of salary;

2 (5) equal to or greater than ninety-five  
3 percent but less than one hundred percent, seventeen and forty-  
4 nine hundredths percent of salary; and

5 (6) equal to or greater than one hundred  
6 percent, sixteen and ninety-nine hundredths percent of salary."

7 SECTION 4. Section 10-11-31 NMSA 1978 (being Laws 1987,  
8 Chapter 253, Section 31, as amended) is amended to read:

9 "10-11-31. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
10 OFFICER MEMBER COVERAGE PLAN 1--MEMBER CONTRIBUTION RATE.--A  
11 member under state police member and adult correctional officer  
12 member coverage plan 1 shall contribute seven and six-tenths  
13 percent of salary, except that a member whose annual salary is  
14 greater than twenty thousand dollars (\$20,000) shall contribute  
15 nine and one-tenth percent of salary; provided that the member  
16 shall contribute the following percentage of salary, beginning  
17 July 1, 2022 and then beginning each July 1 thereafter if the  
18 retirement board has certified to the association by the  
19 immediately preceding December 1 that the coverage plan funded  
20 ratio is:

21 A. less than or equal to eighty percent, ten and  
22 six-tenths percent of salary;

23 B. greater than eighty percent but less than  
24 eighty-five percent, ten and forty-five hundredths percent of  
25 salary;

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1           C. equal to or greater than eighty-five percent but  
2 less than ninety percent, ten and twenty-five hundredths  
3 percent of salary;

4           D. equal to or greater than ninety percent but less  
5 than ninety-five percent, nine and eighty-five hundredths  
6 percent of salary;

7           E. equal to or greater than ninety-five percent but  
8 less than one hundred percent, nine and six-tenths percent of  
9 salary; and

10           F. equal to or greater than one hundred percent,  
11 nine and one-tenth percent of salary."

12           SECTION 5. Section 10-11-32 NMSA 1978 (being Laws 1987,  
13 Chapter 253, Section 32, as amended) is amended to read:

14           "10-11-32. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
15 OFFICER MEMBER COVERAGE PLAN 1--STATE CONTRIBUTION RATE.--The  
16 state shall contribute twenty-five and one-half percent of the  
17 salary of each member under state police member and adult  
18 correctional officer member coverage plan 1 [~~except that, from~~  
19 ~~July 1, 2013 through June 30, 2014, the state contribution rate~~  
20 ~~shall be twenty-five and one-tenth percent of the salary of~~  
21 ~~each member~~]; provided that the state shall contribute the  
22 following percentage of salary, beginning July 1, 2022 and then  
23 beginning each July 1 thereafter if the retirement board has  
24 certified to the association by the immediately preceding  
25 December 1 that the coverage plan funded ratio is:

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1           A. less than or equal to eighty percent, twenty-  
2 seven and twenty-five hundredths percent of salary;

3           B. greater than eighty percent but less than  
4 eighty-five percent, twenty-seven percent of salary;

5           C. equal to or greater than eighty-five percent but  
6 less than ninety percent, twenty-six and seventy-five  
7 hundredths percent of salary;

8           D. equal to or greater than ninety percent but less  
9 than ninety-five percent, twenty-six and one-half percent of  
10 salary;

11           E. equal to or greater than ninety-five percent but  
12 less than one hundred percent, twenty-six percent of salary;  
13 and

14           F. equal to or greater than one hundred percent,  
15 twenty-five and one-half percent of salary."

16           SECTION 6. Section 10-11-38.5 NMSA 1978 (being Laws 1994,  
17 Chapter 128, Section 13, as amended) is amended to read:

18           "10-11-38.5. JUVENILE CORRECTIONAL OFFICER MEMBER  
19 COVERAGE PLAN 2--MEMBER CONTRIBUTION RATE.--A member under  
20 juvenile correctional officer member coverage plan 2 shall  
21 contribute four and seventy-eight hundredths percent of salary  
22 starting with the first full pay period that ends within the  
23 calendar month in which juvenile correctional officer member  
24 coverage plan 2 becomes applicable to the member, except that a  
25 member whose annual salary is greater than twenty thousand

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1 dollars (\$20,000) shall contribute [~~six and twenty-eight~~  
2 ~~hundredths percent of salary~~]:

3 A. beginning July 1, 2019 and continuing through  
4 June 30, 2022, seven and seventy-eight hundredths percent of  
5 salary; and

6 B. beginning July 1, 2022 and each July 1  
7 thereafter, if the retirement board has certified to the  
8 association by the immediately preceding December 1 that the  
9 coverage plan funded ratio is:

10 (1) less than or equal to eighty percent,  
11 seven and seventy-eight hundredths percent of salary;

12 (2) greater than eighty percent but less than  
13 eighty-five percent, seven and sixty-three hundredths percent  
14 of salary;

15 (3) equal to or greater than eighty-five  
16 percent but less than ninety percent, seven and forty-three  
17 hundredths percent of salary;

18 (4) equal to or greater than ninety percent  
19 but less than ninety-five percent, seven and three-hundredths  
20 percent of salary;

21 (5) equal to or greater than ninety-five  
22 percent but less than one hundred percent, six and seventy-  
23 eight hundredths percent of salary; and

24 (6) equal to or greater than one hundred  
25 percent, six and twenty-eight hundredths percent of salary."

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1           SECTION 7. Section 10-11-38.6 NMSA 1978 (being Laws 1994,  
2 Chapter 128, Section 14, as amended) is amended to read:

3           "10-11-38.6. JUVENILE CORRECTIONAL OFFICER MEMBER  
4 COVERAGE PLAN 2--STATE CONTRIBUTION RATE.--The state shall  
5 contribute [~~twenty-six and twelve-hundredths percent~~] the  
6 following percentages of the salary of each member covered by  
7 juvenile correctional officer member coverage plan 2 starting  
8 with the first pay period that ends within the calendar month  
9 in which juvenile correctional officer member coverage plan 2  
10 becomes applicable to the member [~~except that, from July 1,~~  
11 ~~2013 through June 30, 2014, the state contribution rate shall~~  
12 ~~be twenty-five and seventy-two hundredths percent of the salary~~  
13 ~~of each member~~]:

14           A. beginning July 1, 2019 and continuing through  
15 June 30, 2022, twenty-eight and twelve-hundredths percent of  
16 salary; and

17           B. beginning July 1, 2022 and each July 1  
18 thereafter, if the retirement board has certified to the  
19 association by the immediately preceding December 1 that the  
20 coverage plan funded ratio is:

21                   (1) less than or equal to eighty percent,  
22 twenty-seven and eighty-seven hundredths percent of salary;

23                   (2) greater than eighty percent but less than  
24 eighty-five percent, twenty-seven and sixty-two hundredths  
25 percent of salary;

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1                   (3) equal to or greater than eighty-five  
2 percent but less than ninety percent, twenty-seven and thirty-  
3 seven hundredths percent of salary;

4                   (4) equal to or greater than ninety percent  
5 but less than ninety-five percent, twenty-seven and twelve-  
6 hundredths percent of salary;

7                   (5) equal to or greater than ninety-five  
8 percent but less than one hundred percent, twenty-six and  
9 sixty-two hundredths percent of salary; and

10                   (6) equal to or greater than one hundred  
11 percent, twenty-six and twelve-hundredths percent of salary."

12           SECTION 8. Section 10-11-43.3 NMSA 1978 (being Laws 2003,  
13 Chapter 85, Section 9, as amended) is amended to read:

14           "10-11-43.3. STATE LEGISLATOR MEMBER COVERAGE PLAN 2--  
15 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under state legislator  
16 member coverage plan 2, the annual amount of pension under form  
17 of payment A is equal in any calendar year to eleven percent of  
18 the per diem rate in effect, pursuant to Section 2-1-8 NMSA  
19 1978, on the first day of the calendar year that the legislator  
20 or lieutenant governor retires multiplied by sixty and further  
21 multiplied by credited service as a legislator or lieutenant  
22 governor. A pension paid under state legislator member  
23 coverage plan 2 shall be adjusted pursuant to Section 10-11-118  
24 NMSA 1978 [~~for a legislator or lieutenant governor who has been~~  
25 ~~retired for at least two full calendar years from the effective~~

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1 ~~date of the latest retirement prior to July 1 of the year in~~  
2 ~~which the pension is being adjusted]."~~

3 SECTION 9. Section 10-11-48 NMSA 1978 (being Laws 1987,  
4 Chapter 253, Section 48, as amended) is amended to read:

5 "10-11-48. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--  
6 MEMBER CONTRIBUTION RATE.--A member under municipal general  
7 member coverage plan 1 shall contribute seven percent of salary  
8 starting with the first full pay period in the calendar month  
9 in which municipal general member coverage plan 1 becomes  
10 applicable to the member, except that a member whose annual  
11 salary is greater than twenty thousand dollars (\$20,000) shall  
12 contribute [~~eight and one-half percent of salary~~]:

13 A. beginning July 1, 2019 and continuing through  
14 June 30, 2022, ten percent of salary; and

15 B. beginning July 1, 2022 and each July 1  
16 thereafter, if the retirement board has certified to the  
17 association by the immediately preceding December 1 that the  
18 coverage plan funded ratio is:

19 (1) less than or equal to eighty percent, ten  
20 percent of salary;

21 (2) greater than eighty percent but less than  
22 eighty-five percent, nine and eighty-five hundredths percent of  
23 salary;

24 (3) equal to or greater than eighty-five  
25 percent but less than ninety percent, nine and sixty-five

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1 hundredths percent of salary;

2 (4) equal to or greater than ninety percent  
3 but less than ninety-five percent, nine and twenty-five  
4 hundredths percent of salary;

5 (5) equal to or greater than ninety-five  
6 percent but less than one hundred percent, nine percent of  
7 salary; and

8 (6) equal to or greater than one hundred  
9 percent, eight and one-half percent of salary."

10 SECTION 10. Section 10-11-49 NMSA 1978 (being Laws 1987,  
11 Chapter 253, Section 49, as amended) is amended to read:

12 "10-11-49. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--  
13 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
14 public employer shall contribute [~~seven and four-tenths~~  
15 ~~percent~~] the following percentages of the salary of each member  
16 it employs and who is covered under municipal general member  
17 coverage plan 1 [~~except that, from July 1, 2013 through June~~  
18 ~~30, 2014, the affiliated public employer contribution rate~~  
19 ~~shall be seven percent of the salary of each member~~]:

20 A. beginning July 1, 2019 and continuing through  
21 June 30, 2022, nine and four-tenths percent of salary; and

22 B. beginning July 1, 2022 and each July 1  
23 thereafter, if the retirement board has certified to the  
24 association by the immediately preceding December 1 that the  
25 coverage plan funded ratio is:

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1                   (1) less than or equal to eighty percent, nine  
2 and fifteen-hundredths percent of salary;

3                   (2) greater than eighty percent but less than  
4 eighty-five percent, eight and nine-tenths percent of salary;

5                   (3) equal to or greater than eighty-five  
6 percent but less than ninety percent, eight and sixty-five  
7 hundredths percent of salary;

8                   (4) equal to or greater than ninety percent  
9 but less than ninety-five percent, eight and four-tenths  
10 percent of salary;

11                   (5) equal to or greater than ninety-five  
12 percent but less than one hundred percent, seven and nine-  
13 tenths percent of salary; and

14                   (6) equal to or greater than one hundred  
15 percent, seven and four-tenths percent of salary."

16           SECTION 11. Section 10-11-54 NMSA 1978 (being Laws 1987,  
17 Chapter 253, Section 54, as amended) is amended to read:

18           "10-11-54. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--  
19 MEMBER CONTRIBUTION RATE.--A member under municipal general  
20 member coverage plan 2 shall contribute nine and fifteen-  
21 hundredths percent of salary starting with the first full pay  
22 period in the calendar month in which municipal general member  
23 coverage plan 2 becomes applicable to the member, except that a  
24 member whose annual salary is greater than twenty thousand  
25 dollars (\$20,000) shall contribute [~~ten and sixty-five~~

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1 ~~hundredths percent of salary~~]:

2 A. beginning July 1, 2019 and continuing through  
3 June 30, 2022, twelve and fifteen-hundredths percent of salary;  
4 and

5 B. beginning July 1, 2022 and each July 1  
6 thereafter, if the retirement board has certified to the  
7 association by the immediately preceding December 1 that the  
8 coverage plan funded ratio is:

9 (1) less than or equal to eighty percent,  
10 twelve and fifteen-hundredths percent of salary;

11 (2) greater than eighty percent but less than  
12 eighty-five percent, twelve percent of salary;

13 (3) equal to or greater than eighty-five  
14 percent but less than ninety percent, eleven and eight-tenths  
15 percent of salary;

16 (4) equal to or greater than ninety percent  
17 but less than ninety-five percent, eleven and four-tenths  
18 percent of salary;

19 (5) equal to or greater than ninety-five  
20 percent but less than one hundred percent, eleven and fifteen-  
21 hundredths percent of salary; and

22 (6) equal to or greater than one hundred  
23 percent, ten and sixty-five hundredths percent of salary."

24 SECTION 12. Section 10-11-55 NMSA 1978 (being Laws 1987,  
25 Chapter 253, Section 55, as amended) is amended to read:

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1 "10-11-55. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--  
2 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
3 public employer shall contribute [~~nine and fifty-five~~  
4 ~~hundredths percent~~] the following percentages of the salary of  
5 each member it employs and who is covered under municipal  
6 general member coverage plan 2 [~~except that, from July 1, 2013~~  
7 ~~through June 30, 2014, the affiliated public employer~~  
8 ~~contribution rate shall be nine and fifteen-hundredths percent~~  
9 ~~of the salary of each member~~]:

10 A. beginning July 1, 2019 and continuing through  
11 June 30, 2022, eleven and fifty-five hundredths percent of  
12 salary; and

13 B. beginning July 1, 2022 and each July 1  
14 thereafter, if the retirement board has certified to the  
15 association by the immediately preceding December 1 that the  
16 coverage plan funded ratio is:

17 (1) less than or equal to eighty percent,  
18 eleven and three-tenths percent of salary;

19 (2) greater than eighty percent but less than  
20 eighty-five percent, eleven and five-hundredths percent of  
21 salary;

22 (3) equal to or greater than eighty-five  
23 percent but less than ninety percent, ten and eight-tenths  
24 percent of salary;

25 (4) equal to or greater than ninety percent

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1 but less than ninety-five percent, ten and fifty-five  
2 hundredths percent of salary;

3 (5) equal to or greater than ninety-five  
4 percent but less than one hundred percent, ten and five-  
5 hundredths percent of salary; and

6 (6) equal to or greater than one hundred  
7 percent, nine and fifty-five hundredths percent of salary."

8 SECTION 13. Section 10-11-55.5 NMSA 1978 (being Laws  
9 1993, Chapter 58, Section 5, as amended) is amended to read:

10 "10-11-55.5. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
11 MEMBER CONTRIBUTION RATE.--A member under municipal general  
12 member coverage plan 3 shall contribute thirteen and fifteen-  
13 hundredths percent of salary starting with the first full pay  
14 period in the calendar month in which municipal general member  
15 coverage plan 3 becomes applicable to the member, except that a  
16 member whose annual salary is greater than twenty thousand  
17 dollars (\$20,000) shall contribute [~~fourteen and sixty-five~~  
18 ~~hundredths percent of salary~~]:

19 A. beginning July 1, 2019 and continuing through  
20 June 30, 2022, sixteen and fifteen-hundredths percent of  
21 salary; and

22 B. beginning July 1, 2022 and each July 1  
23 thereafter, if the retirement board has certified to the  
24 association by the immediately preceding December 1 that the  
25 coverage plan funded ratio is:

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1                   (1) less than or equal to eighty percent,  
2 sixteen and fifteen-hundredths percent of salary;

3                   (2) greater than eighty percent but less than  
4 eighty-five percent, sixteen percent of salary;

5                   (3) equal to or greater than eighty-five  
6 percent but less than ninety percent, fifteen and eight-tenths  
7 percent of salary;

8                   (4) equal to or greater than ninety percent  
9 but less than ninety-five percent, fifteen and four-tenths  
10 percent of salary;

11                   (5) equal to or greater than ninety-five  
12 percent but less than one hundred percent, fifteen and fifteen-  
13 hundredths percent of salary; and

14                   (6) equal to or greater than one hundred  
15 percent, fourteen and sixty-five hundredths percent of salary."

16           SECTION 14. Section 10-11-55.6 NMSA 1978 (being Laws  
17 1993, Chapter 58, Section 6, as amended) is amended to read:

18           "10-11-55.6. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
19 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
20 public employer shall contribute [~~nine and fifty-five~~  
21 ~~hundredths percent~~] the following percentages of the salary of  
22 each member it employs and who is covered under municipal  
23 general member coverage plan 3 [~~except that, from July 1, 2013~~  
24 ~~through June 30, 2014, the affiliated public employer~~  
25 ~~contribution rate shall be nine and fifteen-hundredths percent~~

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1 ~~of the salary of each member]:~~

2 A. beginning July 1, 2019 and continuing through  
3 June 30, 2022, eleven and fifty-five hundredths percent of  
4 salary; and

5 B. beginning July 1, 2022 and each July 1  
6 thereafter, if the retirement board has certified to the  
7 association by the immediately preceding December 1 that the  
8 coverage plan funded ratio is:

9 (1) less than or equal to eighty percent,  
10 eleven and three-tenths percent of salary;

11 (2) greater than eighty percent but less than  
12 eighty-five percent, eleven and five-hundredths percent of  
13 salary;

14 (3) equal to or greater than eighty-five  
15 percent but less than ninety percent, ten and eight-tenths  
16 percent of salary;

17 (4) equal to or greater than ninety percent  
18 but less than ninety-five percent, ten and fifty-five  
19 hundredths percent of salary;

20 (5) equal to or greater than ninety-five  
21 percent but less than one hundred percent, ten and five-  
22 hundredths percent of salary; and

23 (6) equal to or greater than one hundred  
24 percent, nine and fifty-five hundredths percent of salary."

25 SECTION 15. Section 10-11-55.11 NMSA 1978 (being Laws

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1 1998, Chapter 106, Section 5, as amended) is amended to read:

2 "10-11-55.11. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
3 MEMBER CONTRIBUTION RATE.--A member under municipal general  
4 member coverage plan 4 shall contribute fifteen and sixty-five  
5 hundredths percent of salary starting with the first full pay  
6 period in the calendar month in which municipal general member  
7 coverage plan 4 becomes applicable to the member, except that a  
8 member whose annual salary is greater than twenty thousand  
9 dollars (\$20,000) shall contribute [~~seventeen and fifteen-~~  
10 ~~hundredths percent of salary~~]:

11 A. beginning July 1, 2019 and continuing through  
12 June 30, 2022, eighteen and sixty-five hundredths percent of  
13 salary; and

14 B. beginning July 1, 2022 and each July 1  
15 thereafter, if the retirement board has certified to the  
16 association by the immediately preceding December 1 that the  
17 coverage plan funded ratio is:

18 (1) less than or equal to eighty percent,  
19 eighteen and sixty-five hundredths percent of salary;

20 (2) greater than eighty percent but less than  
21 eighty-five percent, eighteen and one-half percent of salary;

22 (3) equal to or greater than eighty-five  
23 percent but less than ninety percent, eighteen and three-tenths  
24 percent of salary;

25 (4) equal to or greater than ninety percent

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1 but less than ninety-five percent, seventeen and nine-tenths  
2 percent of salary;

3 (5) equal to or greater than ninety-five  
4 percent but less than one hundred percent, seventeen and sixty-  
5 five hundredths percent of salary; and

6 (6) equal to or greater than one hundred  
7 percent, seventeen and fifteen-hundredths percent of salary."

8 SECTION 16. Section 10-11-55.12 NMSA 1978 (being Laws  
9 1998, Chapter 106, Section 6, as amended) is amended to read:

10 "10-11-55.12. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
11 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
12 public employer shall contribute [~~twelve and five-hundredths~~  
13 ~~percent~~] the following percentages of the salary of each member  
14 it employs and who is covered under municipal general member  
15 coverage plan 4 [~~except that, from July 1, 2013 through June~~  
16 ~~30, 2014, the affiliated public employer contribution rate~~  
17 ~~shall be eleven and sixty-five hundredths percent of the salary~~  
18 ~~of each member~~]:

19 A. beginning July 1, 2019 and continuing through  
20 June 30, 2022, fourteen and five-hundredths percent of salary;  
21 and

22 B. beginning July 1, 2022 and each July 1  
23 thereafter, if the retirement board has certified to the  
24 association by the immediately preceding December 1 that the  
25 coverage plan funded ratio is:

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1                   (1) less than or equal to eighty percent,  
2 thirteen and eight-tenths percent of salary;

3                   (2) greater than eighty percent but less than  
4 eighty-five percent, thirteen and fifty-five hundredths percent  
5 of salary;

6                   (3) equal to or greater than eighty-five  
7 percent but less than ninety percent, thirteen and three-tenths  
8 percent of salary;

9                   (4) equal to or greater than ninety percent  
10 but less than ninety-five percent, thirteen and five-hundredths  
11 percent of salary;

12                   (5) equal to or greater than ninety-five  
13 percent but less than one hundred percent, twelve and fifty-  
14 five hundredths percent of salary; and

15                   (6) equal to or greater than one hundred  
16 percent, twelve and five-hundredths percent of salary."

17           SECTION 17. Section 10-11-60 NMSA 1978 (being Laws 1987,  
18 Chapter 253, Section 60, as amended) is amended to read:

19           "10-11-60. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--  
20 MEMBER CONTRIBUTION RATE.--A member under municipal police  
21 member coverage plan 1 shall contribute seven percent of salary  
22 starting with the first full pay period in the calendar month  
23 in which municipal police member coverage plan 1 becomes  
24 applicable to the member, except that a member whose annual  
25 salary is greater than twenty thousand dollars (\$20,000) shall

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1 contribute [~~eight and one-half percent of salary~~]:

2 A. beginning July 1, 2019 and continuing through  
3 June 30, 2022, ten percent of salary; and

4 B. beginning July 1, 2022 and each July 1  
5 thereafter, if the retirement board has certified to the  
6 association by the immediately preceding December 1 that the  
7 coverage plan funded ratio is:

8 (1) less than or equal to eighty percent, ten  
9 percent of salary;

10 (2) greater than eighty percent but less than  
11 eighty-five percent, nine and eighty-five hundredths percent of  
12 salary;

13 (3) equal to or greater than eighty-five  
14 percent but less than ninety percent, nine and sixty-five  
15 hundredths percent of salary;

16 (4) equal to or greater than ninety percent  
17 but less than ninety-five percent, nine and twenty-five  
18 hundredths percent of salary;

19 (5) equal to or greater than ninety-five  
20 percent but less than one hundred percent, nine percent of  
21 salary; and

22 (6) equal to or greater than one hundred  
23 percent, eight and one-half percent of salary."

24 SECTION 18. Section 10-11-61 NMSA 1978 (being Laws 1987,  
25 Chapter 253, Section 61, as amended) is amended to read:

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1 "10-11-61. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--  
2 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
3 public employer shall contribute [~~ten and four-tenths percent~~]  
4 the following percentages of the salary of each member it  
5 employs and who is covered under municipal police member  
6 coverage plan 1 [~~except that, from July 1, 2013 through June~~  
7 ~~30, 2014, the affiliated public employer contribution rate~~  
8 ~~shall be ten percent of the salary of each member~~]:

9 A. beginning July 1, 2019 and continuing through  
10 June 30, 2022, twelve and four-tenths percent of salary; and

11 B. beginning July 1, 2022 and each July 1  
12 thereafter, if the retirement board has certified to the  
13 association by the immediately preceding December 1 that the  
14 coverage plan funded ratio is:

15 (1) less than or equal to eighty percent,  
16 twelve and fifteen-hundredths percent of salary;

17 (2) greater than eighty percent but less than  
18 eighty-five percent, eleven and nine-tenths percent of salary;

19 (3) equal to or greater than eighty-five  
20 percent but less than ninety percent, eleven and sixty-five  
21 hundredths percent of salary;

22 (4) equal to or greater than ninety percent  
23 but less than ninety-five percent, eleven and four-tenths  
24 percent of salary;

25 (5) equal to or greater than ninety-five

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1 percent but less than one hundred percent, ten and nine-tenths  
2 percent of salary; and

3 (6) equal to or greater than one hundred  
4 percent, ten and four-tenths percent of salary."

5 SECTION 19. Section 10-11-66 NMSA 1978 (being Laws 1987,  
6 Chapter 253, Section 66, as amended) is amended to read:

7 "10-11-66. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--  
8 MEMBER CONTRIBUTION RATE.--A member under municipal police  
9 member coverage plan 2 shall contribute seven percent of salary  
10 with the first full pay period in the calendar month in which  
11 municipal police member coverage plan 2 becomes applicable to  
12 the member, except that a member whose annual salary is greater  
13 than twenty thousand dollars (\$20,000) shall contribute [~~eight~~  
14 ~~and one-half percent of salary~~]:

15 A. beginning July 1, 2019 and continuing through  
16 June 30, 2022, ten percent of salary; and

17 B. beginning July 1, 2022 and each July 1  
18 thereafter, if the retirement board has certified to the  
19 association by the immediately preceding December 1 that the  
20 coverage plan funded ratio is:

21 (1) less than or equal to eighty percent, ten  
22 percent of salary;

23 (2) greater than eighty percent but less than  
24 eighty-five percent, nine and eighty-five hundredths percent of  
25 salary;

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1                   (3) equal to or greater than eighty-five  
2 percent but less than ninety percent, nine and sixty-five  
3 hundredths percent of salary;

4                   (4) equal to or greater than ninety percent  
5 but less than ninety-five percent, nine and twenty-five  
6 hundredths percent of salary;

7                   (5) equal to or greater than ninety-five  
8 percent but less than one hundred percent, nine percent of  
9 salary; and

10                   (6) equal to or greater than one hundred  
11 percent, eight and one-half percent of salary."

12                   SECTION 20. Section 10-11-67 NMSA 1978 (being Laws 1987,  
13 Chapter 253, Section 67, as amended) is amended to read:

14                   "10-11-67. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--  
15 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
16 public employer shall contribute [~~fifteen and four-tenths~~  
17 ~~percent~~] the following percentages of the salary of each member  
18 it employs and who is covered under municipal police member  
19 coverage plan 2 [~~except that, from July 1, 2013 through June~~  
20 ~~30, 2014, the affiliated public employer contribution rate~~  
21 ~~shall be fifteen percent of the salary of each member~~]:

22                   A. beginning July 1, 2019 and continuing through  
23 June 30, 2022, seventeen and four-tenths percent of salary; and

24                   B. beginning July 1, 2022 and each July 1  
25 thereafter, if the retirement board has certified to the

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1 association by the immediately preceding December 1 that the  
2 coverage plan funded ratio is:

3 (1) less than or equal to eighty percent,  
4 seventeen and fifteen-hundredths percent of salary;

5 (2) greater than eighty percent but less than  
6 eighty-five percent, sixteen and nine-tenths percent of salary;

7 (3) equal to or greater than eighty-five  
8 percent but less than ninety percent, sixteen and sixty-five  
9 hundredths percent of salary;

10 (4) equal to or greater than ninety percent  
11 but less than ninety-five percent, sixteen and four-tenths  
12 percent of salary;

13 (5) equal to or greater than ninety-five  
14 percent but less than one hundred percent, fifteen and nine-  
15 tenths percent of salary; and

16 (6) equal to or greater than one hundred  
17 percent, fifteen and four-tenths percent of salary."

18 SECTION 21. Section 10-11-72 NMSA 1978 (being Laws 1987,  
19 Chapter 253, Section 72, as amended) is amended to read:

20 "10-11-72. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--  
21 MEMBER CONTRIBUTION RATE.--A member under municipal police  
22 member coverage plan 3 shall contribute seven percent of salary  
23 with the first full pay period in the calendar month in which  
24 municipal police member coverage plan 3 becomes applicable to  
25 the member, except that a member whose annual salary is greater

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1 than twenty thousand dollars (\$20,000) shall contribute [~~eight~~  
2 ~~and one-half percent of salary~~]:

3 A. beginning July 1, 2019 and continuing through  
4 June 30, 2022, ten percent of salary; and

5 B. beginning July 1, 2022 and each July 1  
6 thereafter, if the retirement board has certified to the  
7 association by the immediately preceding December 1 that the  
8 coverage plan funded ratio is:

9 (1) less than or equal to eighty percent, ten  
10 percent of salary;

11 (2) greater than eighty percent but less than  
12 eighty-five percent, nine and eighty-five hundredths percent of  
13 salary;

14 (3) equal to or greater than eighty-five  
15 percent but less than ninety percent, nine and sixty-five  
16 hundredths percent of salary;

17 (4) equal to or greater than ninety percent  
18 but less than ninety-five percent, nine and twenty-five  
19 hundredths percent of salary;

20 (5) equal to or greater than ninety-five  
21 percent but less than one hundred percent, nine percent of  
22 salary; and

23 (6) equal to or greater than one hundred  
24 percent, eight and one-half percent of salary."

25 SECTION 22. Section 10-11-73 NMSA 1978 (being Laws 1987,

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1 Chapter 253, Section 73, as amended) is amended to read:

2 "10-11-73. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--  
3 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
4 public employer shall contribute [~~eighteen and nine-tenths~~  
5 ~~percent~~] the following percentages of the salary of each member  
6 it employs and who is covered under municipal police member  
7 coverage plan 3 [~~except that, from July 1, 2013 through June~~  
8 ~~30, 2014, the affiliated public employer contribution rate~~  
9 ~~shall be eighteen and one-half percent of the salary of each~~  
10 ~~member~~]:

11 A. beginning July 1, 2019 and continuing through  
12 June 30, 2022, twenty and nine-tenths percent of salary; and

13 B. beginning July 1, 2022 and each July 1  
14 thereafter, if the retirement board has certified to the  
15 association by the immediately preceding December 1 that the  
16 coverage plan funded ratio is:

17 (1) less than or equal to eighty percent,  
18 twenty and sixty-five hundredths percent of salary;

19 (2) greater than eighty percent but less than  
20 eighty-five percent, twenty and four-tenths percent of salary;

21 (3) equal to or greater than eighty-five  
22 percent but less than ninety percent, twenty and fifteen-  
23 hundredths percent of salary;

24 (4) equal to or greater than ninety percent  
25 but less than ninety-five percent, nineteen and nine-tenths

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1 percent of salary;

2 (5) equal to or greater than ninety-five  
3 percent but less than one hundred percent, nineteen and four-  
4 tenths percent of salary; and

5 (6) equal to or greater than one hundred  
6 percent, eighteen and nine-tenths percent of salary."

7 SECTION 23. Section 10-11-78 NMSA 1978 (being Laws 1987,  
8 Chapter 253, Section 78, as amended) is amended to read:

9 "10-11-78. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--  
10 MEMBER CONTRIBUTION RATE.--A member under municipal police  
11 member coverage plan 4 shall contribute twelve and  
12 thirty-five hundredths percent of salary starting with the  
13 first full pay period in the calendar month in which municipal  
14 police member coverage plan 4 becomes applicable to the member,  
15 except that a member whose annual salary is greater than twenty  
16 thousand dollars (\$20,000) shall contribute [~~thirteen and~~  
17 ~~eighty-five hundredths percent of salary~~]:

18 A. beginning July 1, 2019 and continuing through  
19 June 30, 2022, fifteen and thirty-five hundredths percent of  
20 salary; and

21 B. beginning July 1, 2022 and each July 1  
22 thereafter, if the retirement board has certified to the  
23 association by the immediately preceding December 1 that the  
24 coverage plan funded ratio is:

25 (1) less than or equal to eighty percent,

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1 fifteen and thirty-five hundredths percent of salary;

2 (2) greater than eighty percent but less than  
3 eighty-five percent, fifteen and two-tenths percent of salary;

4 (3) equal to or greater than eighty-five  
5 percent but less than ninety percent, fifteen percent of  
6 salary;

7 (4) equal to or greater than ninety percent  
8 but less than ninety-five percent, fourteen and six-tenths  
9 percent of salary;

10 (5) equal to or greater than ninety-five  
11 percent but less than one hundred percent, fourteen and thirty-  
12 five hundredths percent of salary; and

13 (6) equal to or greater than one hundred  
14 percent, thirteen and eighty-five hundredths percent of  
15 salary."

16 SECTION 24. Section 10-11-79 NMSA 1978 (being Laws 1987,  
17 Chapter 253, Section 79, as amended) is amended to read:

18 "10-11-79. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--  
19 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
20 public employer shall contribute [~~eighteen and nine-tenths~~  
21 ~~percent~~] the following percentages of the salary of each member  
22 it employs and who is covered under municipal police member  
23 coverage plan 4 [~~except that, from July 1, 2013 through June~~  
24 ~~30, 2014, the affiliated public employer contribution rate~~  
25 ~~shall be eighteen and one-half percent of the salary of each~~

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1 member]:

2 A. beginning July 1, 2019 and continuing through  
3 June 30, 2022, twenty and nine-tenths percent of salary; and

4 B. beginning July 1, 2022 and each July 1  
5 thereafter, if the retirement board has certified to the  
6 association by the immediately preceding December 1 that the  
7 coverage plan funded ratio is:

8 (1) less than or equal to eighty percent,  
9 twenty and sixty-five hundredths percent of salary;

10 (2) greater than eighty percent but less than  
11 eighty-five percent, twenty and four-tenths percent of salary;

12 (3) equal to or greater than eighty-five  
13 percent but less than ninety percent, twenty and fifteen-  
14 hundredths percent of salary;

15 (4) equal to or greater than ninety percent  
16 but less than ninety-five percent, nineteen and nine-tenths  
17 percent of salary;

18 (5) equal to or greater than ninety-five  
19 percent but less than one hundred percent, nineteen and four-  
20 tenths percent of salary; and

21 (6) equal to or greater than one hundred  
22 percent, eighteen and nine-tenths percent of salary."

23 SECTION 25. Section 10-11-84 NMSA 1978 (being Laws 1987,  
24 Chapter 253, Section 84, as amended) is amended to read:

25 "10-11-84. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--

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1 MEMBER CONTRIBUTION RATE.--A member under municipal police  
2 member coverage plan 5 shall contribute sixteen and three-  
3 tenths percent of salary starting with the first full pay  
4 period in the calendar month in which municipal police member  
5 coverage plan 5 becomes applicable to the member, except that a  
6 member whose annual salary is greater than twenty thousand  
7 dollars (\$20,000) shall contribute [~~seventeen and eight-tenths~~  
8 ~~percent of salary~~]:

9 A. beginning July 1, 2019 and continuing through  
10 June 30, 2022, nineteen and three-tenths percent of salary; and

11 B. beginning July 1, 2022 and each July 1  
12 thereafter, if the retirement board has certified to the  
13 association by the immediately preceding December 1 that the  
14 coverage plan funded ratio is:

15 (1) less than or equal to eighty percent,  
16 nineteen and three-tenths percent of salary;

17 (2) greater than eighty percent but less than  
18 eighty-five percent, nineteen and fifteen-hundredths percent of  
19 salary;

20 (3) equal to or greater than eighty-five  
21 percent but less than ninety percent, eighteen and ninety-five  
22 hundredths percent of salary;

23 (4) equal to or greater than ninety percent  
24 but less than ninety-five percent, eighteen and fifty-five  
25 hundredths percent of salary;

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1                   (5) equal to or greater than ninety-five  
2 percent but less than one hundred percent, eighteen and three-  
3 tenths percent of salary; and

4                   (6) equal to or greater than one hundred  
5 percent, seventeen and eight-tenths percent of salary."

6           SECTION 26. Section 10-11-85 NMSA 1978 (being Laws 1987,  
7 Chapter 253, Section 85, as amended) is amended to read:

8           "10-11-85. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--  
9 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
10 public employer shall contribute [~~eighteen and nine-tenths~~  
11 ~~percent~~] the following percentages of the salary of each member  
12 it employs and who is covered under municipal police member  
13 coverage plan 5 [~~except that, from July 1, 2013 through June~~  
14 ~~30, 2014, the affiliated public employer contribution rate~~  
15 ~~shall be eighteen and one-half percent of the salary of each~~  
16 ~~member~~]:

17                   A. beginning July 1, 2019 and continuing through  
18 June 30, 2022, twenty and nine-tenths percent of salary; and

19                   B. beginning July 1, 2022 and each July 1  
20 thereafter, if the retirement board has certified to the  
21 association by the immediately preceding December 1 that the  
22 coverage plan funded ratio is:

23                           (1) less than or equal to eighty percent,  
24 twenty and sixty-five hundredths percent of salary;

25                           (2) greater than eighty percent but less than

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[bracketed material] = delete

1 eighty-five percent, twenty and four-tenths percent of salary;

2 (3) equal to or greater than eighty-five  
3 percent but less than ninety percent, twenty and fifteen-  
4 hundredths percent of salary;

5 (4) equal to or greater than ninety percent  
6 but less than ninety-five percent, nineteen and nine-tenths  
7 percent of salary;

8 (5) equal to or greater than ninety-five  
9 percent but less than one hundred percent, nineteen and four-  
10 tenths percent of salary; and

11 (6) equal to or greater than one hundred  
12 percent, eighteen and nine-tenths percent of salary."

13 SECTION 27. Section 10-11-90 NMSA 1978 (being Laws 1987,  
14 Chapter 253, Section 90, as amended) is amended to read:

15 "10-11-90. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--MEMBER  
16 CONTRIBUTION RATE.--A member under municipal fire member  
17 coverage plan 1 shall contribute eight percent of salary with  
18 the first full pay period in the calendar month in which  
19 municipal fire member coverage plan 1 becomes applicable to the  
20 member, except that a member whose annual salary is greater  
21 than twenty thousand dollars (\$20,000) shall contribute [~~nine~~  
22 ~~and one-half percent of salary~~]:

23 A. beginning July 1, 2019 and continuing through  
24 June 30, 2022, eleven percent of salary; and

25 B. beginning July 1, 2022 and each July 1

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1 thereafter, if the retirement board has certified to the  
2 association by the immediately preceding December 1 that the  
3 coverage plan funded ratio is:

4 (1) less than or equal to eighty percent,  
5 eleven percent of salary;

6 (2) greater than eighty percent but less than  
7 eighty-five percent, ten and eighty-five hundredths percent of  
8 salary;

9 (3) equal to or greater than eighty-five  
10 percent but less than ninety percent, ten and sixty-five  
11 hundredths percent of salary;

12 (4) equal to or greater than ninety percent  
13 but less than ninety-five percent, ten and twenty-five  
14 hundredths percent of salary;

15 (5) equal to or greater than ninety-five  
16 percent but less than one hundred percent, ten percent of  
17 salary; and

18 (6) equal to or greater than one hundred  
19 percent, nine and one-half percent of salary."

20 SECTION 28. Section 10-11-91 NMSA 1978 (being Laws 1987,  
21 Chapter 253, Section 91, as amended) is amended to read:

22 "10-11-91. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--  
23 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
24 public employer shall contribute [~~eleven and four tenths~~  
25 ~~percent~~] the following percentages of the salary of each member

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1 it employs and covers under municipal fire member coverage plan  
2 ~~1 [except that, from July 1, 2013 through June 30, 2014, the~~  
3 ~~affiliated public employer contribution rate shall be eleven~~  
4 ~~percent of the salary of each member]:~~

5 A. beginning July 1, 2019 and continuing through  
6 June 30, 2022, thirteen and four-tenths percent of salary; and

7 B. beginning July 1, 2022 and each July 1  
8 thereafter, if the retirement board has certified to the  
9 association by the immediately preceding December 1 that the  
10 coverage plan funded ratio is:

11 (1) less than or equal to eighty percent,  
12 thirteen and fifteen-hundredths percent of salary;

13 (2) greater than eighty percent but less than  
14 eighty-five percent, twelve and nine-tenths percent of salary;

15 (3) equal to or greater than eighty-five  
16 percent but less than ninety percent, twelve and sixty-five  
17 hundredths percent of salary;

18 (4) equal to or greater than ninety percent  
19 but less than ninety-five percent, twelve and four-tenths  
20 percent of salary;

21 (5) equal to or greater than ninety-five  
22 percent but less than one hundred percent, eleven and nine-  
23 tenths percent of salary; and

24 (6) equal to or greater than one hundred  
25 percent, eleven and four-tenths percent of salary."

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1           SECTION 29. Section 10-11-96 NMSA 1978 (being Laws 1987,  
2 Chapter 253, Section 96, as amended) is amended to read:

3           "10-11-96. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--MEMBER  
4 CONTRIBUTION RATE.--A member under municipal fire member  
5 coverage plan 2 shall contribute eight percent of salary with  
6 the first full pay period in the calendar month in which  
7 municipal fire member coverage plan 2 becomes applicable to the  
8 member, except that a member whose annual salary is greater  
9 than twenty thousand dollars (\$20,000) shall contribute [~~nine  
10 and one-half percent of salary~~]:

11           A. beginning July 1, 2019 and continuing through  
12 June 30, 2022, eleven percent of salary; and

13           B. beginning July 1, 2022 and each July 1  
14 thereafter, if the retirement board has certified to the  
15 association by the immediately preceding December 1 that the  
16 coverage plan funded ratio is:

17                   (1) less than or equal to eighty percent,  
18 eleven percent of salary;

19                   (2) greater than eighty percent but less than  
20 eighty-five percent, ten and eighty-five hundredths percent of  
21 salary;

22                   (3) equal to or greater than eighty-five  
23 percent but less than ninety percent, ten and sixty-five  
24 hundredths percent of salary;

25                   (4) equal to or greater than ninety percent

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1 but less than ninety-five percent, ten and twenty-five  
2 hundredths percent of salary;

3 (5) equal to or greater than ninety-five  
4 percent but less than one hundred percent, ten percent of  
5 salary; and

6 (6) equal to or greater than one hundred  
7 percent, nine and one-half percent of salary."

8 SECTION 30. Section 10-11-97 NMSA 1978 (being Laws 1987,  
9 Chapter 253, Section 97, as amended) is amended to read:

10 "10-11-97. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--  
11 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
12 public employer shall contribute [~~seventeen and nine-tenths~~  
13 ~~percent~~] the following percentages of the salary of each member  
14 it employs and covers under municipal fire member coverage plan  
15 2 [~~except that, from July 1, 2013 through June 30, 2014, the~~  
16 ~~affiliated public employer contribution rate shall be seventeen~~  
17 ~~and one-half percent of the salary of each member~~]:

18 A. beginning July 1, 2019 and continuing through  
19 June 30, 2022, nineteen and nine-tenths percent of salary; and

20 B. beginning July 1, 2022 and each July 1  
21 thereafter, if the retirement board has certified to the  
22 association by the immediately preceding December 1 that the  
23 coverage plan funded ratio is:

24 (1) less than or equal to eighty percent,  
25 nineteen and sixty-five hundredths percent of salary;

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1                   (2) greater than eighty percent but less than  
2 eighty-five percent, nineteen and four-tenths percent of  
3 salary;

4                   (3) equal to or greater than eighty-five  
5 percent but less than ninety percent, nineteen and fifteen-  
6 hundredths percent of salary;

7                   (4) equal to or greater than ninety percent  
8 but less than ninety-five percent, eighteen and nine-tenths  
9 percent of salary;

10                   (5) equal to or greater than ninety-five  
11 percent but less than one hundred percent, eighteen and four-  
12 tenths percent of salary; and

13                   (6) equal to or greater than one hundred  
14 percent, seventeen and nine-tenths percent of salary."

15                   SECTION 31. Section 10-11-102 NMSA 1978 (being Laws 1987,  
16 Chapter 253, Section 102, as amended) is amended to read:

17                   "10-11-102. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--MEMBER  
18 CONTRIBUTION RATE.--A member under municipal fire member  
19 coverage plan 3 shall contribute eight percent of salary with  
20 the first full pay period in the calendar month in which  
21 municipal fire member coverage plan 3 becomes applicable to the  
22 member, except that a member whose annual salary is greater  
23 than twenty thousand dollars (\$20,000) shall contribute [~~nine~~  
24 ~~and one-half percent of salary~~]:

25                   A. beginning July 1, 2019 and continuing through

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1 June 30, 2022, eleven percent of salary; and

2 B. beginning July 1, 2022 and each July 1  
3 thereafter, if the retirement board has certified to the  
4 association by the immediately preceding December 1 that the  
5 coverage plan funded ratio is:

6 (1) less than or equal to eighty percent,  
7 eleven percent of salary;

8 (2) greater than eighty percent but less than  
9 eighty-five percent, ten and eighty-five hundredths percent of  
10 salary;

11 (3) equal to or greater than eighty-five  
12 percent but less than ninety percent, ten and sixty-five  
13 hundredths percent of salary;

14 (4) equal to or greater than ninety percent  
15 but less than ninety-five percent, ten and twenty-five  
16 hundredths percent of salary;

17 (5) equal to or greater than ninety-five  
18 percent but less than one hundred percent, ten percent of  
19 salary; and

20 (6) equal to or greater than one hundred  
21 percent, nine and one-half percent of salary."

22 SECTION 32. Section 10-11-103 NMSA 1978 (being Laws 1987,  
23 Chapter 253, Section 103, as amended) is amended to read:

24 "10-11-103. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--  
25 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated

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1 public employer shall contribute [~~twenty-one and sixty-five~~  
2 ~~hundredths percent~~] the following percentages of the salary of  
3 each member it employs and covers under municipal fire member  
4 coverage plan 3 [~~except that, from July 1, 2013 through June~~  
5 ~~30, 2014, the affiliated public employer contribution rate~~  
6 ~~shall be twenty-one and twenty-five hundredths percent of the~~  
7 ~~salary of each member~~]:

8 A. beginning July 1, 2019 and continuing through  
9 June 30, 2022, twenty-three and sixty-five hundredths percent  
10 of salary; and

11 B. beginning July 1, 2022 and each July 1  
12 thereafter, if the retirement board has certified to the  
13 association by the immediately preceding December 1 that the  
14 coverage plan funded ratio is:

15 (1) less than or equal to eighty percent,  
16 twenty-three and four-tenths percent of salary;

17 (2) greater than eighty percent but less than  
18 eighty-five percent, twenty-three and fifteen-hundredths  
19 percent of salary;

20 (3) equal to or greater than eighty-five  
21 percent but less than ninety percent, twenty-two and nine-  
22 tenths percent of salary;

23 (4) equal to or greater than ninety percent  
24 but less than ninety-five percent, twenty-two and sixty-five  
25 hundredths percent of salary;

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1                   (5) equal to or greater than ninety-five  
2 percent but less than one hundred percent, twenty-two and  
3 fifteen-hundredths percent of salary; and

4                   (6) equal to or greater than one hundred  
5 percent, twenty-one and sixty-five hundredths percent of  
6 salary."

7           SECTION 33. Section 10-11-108 NMSA 1978 (being Laws 1987,  
8 Chapter 253, Section 108, as amended) is amended to read:

9           "10-11-108. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--MEMBER  
10 CONTRIBUTION RATE.--A member under municipal fire member  
11 coverage plan 4 shall contribute twelve and eight-tenths  
12 percent of salary with the first full pay period in the  
13 calendar month in which municipal fire member coverage plan 4  
14 becomes applicable to the member, except that a member whose  
15 annual salary is greater than twenty thousand dollars (\$20,000)  
16 shall contribute [~~fourteen and three-tenths percent of salary~~]:

17                   A. beginning July 1, 2019 and continuing through  
18 June 30, 2022, fifteen and eight-tenths percent of salary; and

19                   B. beginning July 1, 2022 and each July 1  
20 thereafter, if the retirement board has certified to the  
21 association by the immediately preceding December 1 that the  
22 coverage plan funded ratio is:

23                           (1) less than or equal to eighty percent,  
24 fifteen and eight-tenths percent of salary;

25                           (2) greater than eighty percent but less than



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1 eighty-five percent, fifteen and sixty-five hundredths percent  
2 of salary;

3 (3) equal to or greater than eighty-five  
4 percent but less than ninety percent, fifteen and forty-five  
5 hundredths percent of salary;

6 (4) equal to or greater than ninety percent  
7 but less than ninety-five percent, fifteen and five-hundredths  
8 percent of salary;

9 (5) equal to or greater than ninety-five  
10 percent but less than one hundred percent, fourteen and eight-  
11 tenths percent of salary; and

12 (6) equal to or greater than one hundred  
13 percent, fourteen and three-tenths percent of salary."

14 SECTION 34. Section 10-11-109 NMSA 1978 (being Laws 1987,  
15 Chapter 253, Section 109, as amended) is amended to read:

16 "10-11-109. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--  
17 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
18 public employer shall contribute [~~twenty-one and sixty-five~~  
19 ~~hundredths percent~~] the following percentages of the salary of  
20 each member it employs and covers under municipal fire member  
21 coverage plan 4 [~~except that, from July 1, 2013 through June~~  
22 ~~30, 2014, the affiliated public employer contribution rate~~  
23 ~~shall be twenty-one and twenty-five hundredths percent of the~~  
24 ~~salary of each member~~]:

25 A. beginning July 1, 2019 and continuing through

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1 June 30, 2022, twenty-three and sixty-five hundredths percent  
2 of salary; and

3 B. beginning July 1, 2022 and each July 1  
4 thereafter, if the retirement board has certified to the  
5 association by the immediately preceding December 1 that the  
6 coverage plan funded ratio is:

7 (1) less than or equal to eighty percent,  
8 twenty-three and four-tenths percent of salary;

9 (2) greater than eighty percent but less than  
10 eighty-five percent, twenty-three and fifteen-hundredths  
11 percent of salary;

12 (3) equal to or greater than eighty-five  
13 percent but less than ninety percent, twenty-two and nine-  
14 tenths percent of salary;

15 (4) equal to or greater than ninety percent  
16 but less than ninety-five percent, twenty-two and sixty-five  
17 hundredths percent of salary;

18 (5) equal to or greater than ninety-five  
19 percent but less than one hundred percent, twenty-two and  
20 fifteen-hundredths percent of salary; and

21 (6) equal to or greater than one hundred  
22 percent, twenty-one and sixty-five hundredths percent of  
23 salary."

24 SECTION 35. Section 10-11-114 NMSA 1978 (being Laws 1987,  
25 Chapter 253, Section 114, as amended) is amended to read:

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1 "10-11-114. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--MEMBER  
2 CONTRIBUTION RATE.--A member under municipal fire member  
3 coverage plan 5 shall contribute sixteen and two-tenths percent  
4 of salary with the first full pay period in the calendar month  
5 in which municipal fire member coverage plan 5 becomes  
6 applicable to the member, except that a member whose annual  
7 salary is greater than twenty thousand dollars (\$20,000) shall  
8 contribute [~~seventeen and seven-tenths percent of salary~~]:

9 A. beginning July 1, 2019 and continuing through  
10 June 30, 2022, nineteen and two-tenths percent of salary; and

11 B. beginning July 1, 2022 and each July 1  
12 thereafter, if the retirement board has certified to the  
13 association by the immediately preceding December 1 that the  
14 coverage plan funded ratio is:

15 (1) less than or equal to eighty percent,  
16 nineteen and two-tenths percent of salary;

17 (2) greater than eighty percent but less than  
18 eighty-five percent, nineteen and five-hundredths percent of  
19 salary;

20 (3) equal to or greater than eighty-five  
21 percent but less than ninety percent, eighteen and eighty-five  
22 hundredths percent of salary;

23 (4) equal to or greater than ninety percent  
24 but less than ninety-five percent, eighteen and forty-five  
25 hundredths percent of salary;

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1                   (5) equal to or greater than ninety-five  
2 percent but less than one hundred percent, eighteen and two-  
3 tenths percent of salary; and

4                   (6) equal to or greater than one hundred  
5 percent, seventeen and seven-tenths percent of salary."

6           SECTION 36. Section 10-11-115 NMSA 1978 (being Laws 1987,  
7 Chapter 253, Section 115, as amended) is amended to read:

8           "10-11-115. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--  
9 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
10 public employer shall contribute [~~twenty-one and sixty-five~~  
11 ~~hundredths percent~~] the following percentages of the salary of  
12 each member it employs and covers under municipal fire member  
13 coverage plan 5 [~~except that, from July 1, 2013 through June~~  
14 ~~30, 2014, the affiliated public employer contribution rate~~  
15 ~~shall be twenty-one and twenty-five hundredths percent of the~~  
16 ~~salary of each member~~]:

17                   A. beginning July 1, 2019 and continuing through  
18 June 30, 2022, twenty-three and sixty-five hundredths percent  
19 of salary; and

20                   B. beginning July 1, 2022 and each July 1  
21 thereafter, if the retirement board has certified to the  
22 association by the immediately preceding December 1 that the  
23 coverage plan funded ratio is:

24                           (1) less than or equal to eighty percent,  
25 twenty-three and four-tenths percent of salary;

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1                   (2) greater than eighty percent but less than  
2 eighty-five percent, twenty-three and fifteen-hundredths  
3 percent of salary;

4                   (3) equal to or greater than eighty-five  
5 percent but less than ninety percent, twenty-two and nine-  
6 tenths percent of salary;

7                   (4) equal to or greater than ninety percent  
8 but less than ninety-five percent, twenty-two and sixty-five  
9 hundredths percent of salary;

10                   (5) equal to or greater than ninety-five  
11 percent but less than one hundred percent, twenty-two and  
12 fifteen-hundredths percent of salary; and

13                   (6) equal to or greater than one hundred  
14 percent, twenty-one and sixty-five hundredths percent of  
15 salary."

16           SECTION 37. Section 10-11-115.5 NMSA 1978 (being Laws  
17 2003, Chapter 268, Section 6, as amended) is amended to read:

18           "10-11-115.5. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
19 PLAN 1--MEMBER CONTRIBUTION RATE.--A member under municipal  
20 detention officer member coverage plan 1 shall contribute  
21 sixteen and sixty-five hundredths percent of salary with the  
22 first full pay period in the calendar month in which municipal  
23 detention officer member coverage plan 1 becomes applicable to  
24 the member, except that a member whose annual salary is greater  
25 than twenty thousand dollars (\$20,000) shall contribute

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1 ~~[eighteen and fifteen-hundredths percent of salary]:~~

2 A. beginning July 1, 2019 and continuing through  
3 June 30, 2022, nineteen and sixty-five hundredths percent of  
4 salary; and

5 B. beginning July 1, 2022 and each July 1  
6 thereafter, if the retirement board has certified to the  
7 association by the immediately preceding December 1 that the  
8 coverage plan funded ratio is:

9 (1) less than or equal to eighty percent,  
10 nineteen and sixty-five hundredths percent of salary;

11 (2) greater than eighty percent but less than  
12 eighty-five percent, nineteen and one-half percent of salary;

13 (3) equal to or greater than eighty-five  
14 percent but less than ninety percent, nineteen and three-tenths  
15 percent of salary;

16 (4) equal to or greater than ninety percent  
17 but less than ninety-five percent, eighteen and nine-tenths  
18 percent of salary;

19 (5) equal to or greater than ninety-five  
20 percent but less than one hundred percent, eighteen and sixty-  
21 five hundredths percent of salary; and

22 (6) equal to or greater than one hundred  
23 percent, eighteen and fifteen-hundredths percent of salary."

24 SECTION 38. Section 10-11-115.6 NMSA 1978 (being Laws  
25 2003, Chapter 268, Section 7, as amended) is amended to read:

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1           "10-11-115.6. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
2 PLAN 1--EMPLOYER CONTRIBUTION RATE.--The affiliated public  
3 employer shall contribute [~~seventeen and five hundredths~~  
4 ~~percent~~] the following percentages of the salary of each member  
5 under municipal detention officer member coverage plan 1  
6 starting with the first pay period that ends within the  
7 calendar month in which municipal detention officer member  
8 coverage plan 1 becomes applicable to the member [~~except that,~~  
9 ~~from July 1, 2013 through June 30, 2014, the affiliated public~~  
10 ~~employer contribution rate shall be sixteen and sixty-five~~  
11 ~~hundredths percent of the salary of each member~~]:

12           A. beginning July 1, 2019 and continuing through  
13 June 30, 2022, nineteen and five-hundredths percent of salary;  
14 and

15           B. beginning July 1, 2022 and each July 1  
16 thereafter, if the retirement board has certified to the  
17 association by the immediately preceding December 1 that the  
18 coverage plan funded ratio is:

19                   (1) less than or equal to eighty percent,  
20 eighteen and eight-tenths percent of salary;

21                   (2) greater than eighty percent but less than  
22 eighty-five percent, eighteen and fifty-five hundredths percent  
23 of salary;

24                   (3) equal to or greater than eighty-five  
25 percent but less than ninety percent, eighteen and three-tenths

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1 percent of salary;

2 (4) equal to or greater than ninety percent  
3 but less than ninety-five percent, eighteen and five-hundredths  
4 percent of salary;

5 (5) equal to or greater than ninety-five  
6 percent but less than one hundred percent, seventeen and fifty-  
7 five hundredths percent of salary; and

8 (6) equal to or greater than one hundred  
9 percent, seventeen and five-hundredths percent of salary."

10 SECTION 39. Section 10-11-118 NMSA 1978 (being Laws 1987,  
11 Chapter 253, Section 118, as amended) is repealed and a new  
12 Section 10-11-118 NMSA 1978 is enacted to read:

13 "10-11-118. [NEW MATERIAL] COST-OF-LIVING ADJUSTMENTS--  
14 QUALIFIED PENSION RECIPIENT--DECLINING INCREASE.--

15 A. As used in this section:

16 (1) "consumer price index" means the consumer  
17 price index for urban wage earners and clerical workers  
18 published by the bureau of labor statistics of the United  
19 States department of labor;

20 (2) "preceding calendar year" means the full  
21 calendar year preceding the July 1 on which pensions are being  
22 adjusted; and

23 (3) "second preceding calendar year" means the  
24 full calendar year immediately prior to the preceding calendar  
25 year.

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1           B. A qualified pension recipient is eligible for a  
2 cost-of-living pension adjustment. A qualified pension  
3 recipient is:

4                   (1) a normal retired member who:

5                           (a) retires on or before June 30, 2014  
6 and has been retired for at least two full calendar years from  
7 the effective date of the latest retirement prior to July 1 of  
8 the year in which the pension is being adjusted;

9                           (b) retires between July 1, 2014 and  
10 June 30, 2015 and has been retired for at least three full  
11 calendar years from the effective date of the latest retirement  
12 prior to July 1 of the year in which the pension is being  
13 adjusted;

14                           (c) retires between July 1, 2015 and  
15 June 30, 2016 and has been retired for at least four full  
16 calendar years from the effective date of the latest retirement  
17 prior to July 1 of the year in which the pension is being  
18 adjusted; or

19                           (d) retires between July 1, 2016 and  
20 June 30, 2019 and has been retired for at least seven full  
21 calendar years from the effective date of the latest retirement  
22 prior to July 1 of the year in which the pension is being  
23 adjusted;

24                   (2) on or after July 1, 2019:

25                           (a) a normal retired state general

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1 member under any coverage plan, except a peace officer under  
2 state general plan 3, a normal retired legislator member under  
3 any coverage plan or a normal retired municipal general member  
4 under any coverage plan and who has reached at least sixty-five  
5 years of age and has been retired for one full calendar year  
6 from the effective date of the member's latest retirement; or

7 (b) a normal retired peace officer under  
8 state general plan 3, a normal retired state police member or  
9 adult correctional officer member under any coverage plan, a  
10 normal retired juvenile correctional officer member under  
11 coverage plan 2, a normal retired municipal police member under  
12 any coverage plan, a normal retired municipal fire member under  
13 any coverage plan or a normal retired municipal detention  
14 officer under coverage plan 1 and who has reached at least  
15 sixty years of age and has been retired for one full calendar  
16 year from the effective date of the member's latest retirement;

17 (3) a disability retired member who has been  
18 retired for at least one full calendar year from the effective  
19 date of the latest retirement prior to July 1 of the year in  
20 which the pension is being adjusted;

21 (4) a survivor beneficiary who has received a  
22 survivor pension for at least two full calendar years; or

23 (5) a survivor beneficiary of a deceased  
24 retired member who otherwise would have been retired at least  
25 two full calendar years from the effective date of the latest

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1 retirement prior to July 1 of the year in which the pension is  
2 being adjusted.

3 C. Beginning July 1, 2019 and continuing through  
4 June 30, 2022, there shall not be a cost-of-living adjustment  
5 applied to a pension payable pursuant to the Public Employees  
6 Retirement Act.

7 D. Beginning May 1, 2022 and no later than each May  
8 1 thereafter, the retirement board shall certify to the  
9 association the funded ratio as of June 30 of the preceding  
10 calendar year.

11 E. Except as provided in Subsections F and G of  
12 this section, on each July 1 immediately following the  
13 retirement board's certification of the funded ratio, the cost-  
14 of-living adjustment, if any, to a pension payable pursuant to  
15 the Public Employees Retirement Act shall be determined as  
16 follows:

17 (1) if the funded ratio is less than or equal  
18 to eighty percent and the percentage increase of the consumer  
19 price index between the second preceding calendar year and the  
20 preceding calendar year is less than or equal to two percent,  
21 the qualified pension recipient's monthly pension benefit shall  
22 be increased in an amount determined by multiplying the amount  
23 of pension inclusive of all prior adjustments by fifty percent  
24 of the consumer price index increase, but in no case shall an  
25 adjustment be less than zero or shall there be a reduction in

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1 the pension benefit;

2 (2) if the funded ratio is less than or equal  
3 to eighty percent and the percentage increase of the consumer  
4 price index between the second preceding calendar year and the  
5 preceding calendar year is greater than two percent, the  
6 qualified pension recipient's monthly pension benefit shall be  
7 increased in an amount determined by multiplying the amount of  
8 pension inclusive of all prior adjustments by seventy-five  
9 percent of the consumer price index increase, provided that the  
10 adjustment shall not exceed one and one-half percent. In no  
11 case shall an adjustment be less than zero or shall there be a  
12 reduction in the pension benefit;

13 (3) if the funded ratio is greater than eighty  
14 percent but less than ninety percent and the percentage  
15 increase of the consumer price index between the second  
16 preceding calendar year and the preceding calendar year is less  
17 than or equal to two percent, the qualified pension recipient's  
18 monthly pension benefit shall be increased in an amount  
19 determined by multiplying the amount of pension inclusive of  
20 all prior adjustments by seventy-five percent of the consumer  
21 price index increase, but in no case shall an adjustment be  
22 less than zero or shall there be a reduction in the pension  
23 benefit;

24 (4) if the funded ratio is greater than eighty  
25 percent but less than ninety percent and the percentage

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1 increase of the consumer price index between the second  
2 preceding calendar year and the preceding calendar year is  
3 greater than two percent, the qualified pension recipient's  
4 monthly pension benefit shall be increased in an amount  
5 determined by multiplying the amount of pension inclusive of  
6 all prior adjustments by eighty percent of the consumer price  
7 index increase, provided that the adjustment shall not exceed  
8 one and eighty-hundredths percent. In no case shall an  
9 adjustment be less than zero or shall there be a reduction in  
10 the pension benefit;

11 (5) if the funded ratio is equal to or greater  
12 than ninety percent but less than one hundred percent and the  
13 percentage increase of the consumer price index between the  
14 second preceding calendar year and the preceding calendar year  
15 is less than or equal to two percent, the qualified pension  
16 recipient's monthly pension benefit shall be increased in an  
17 amount determined by multiplying the amount of pension  
18 inclusive of all prior adjustments by one hundred percent of  
19 the consumer price index increase, but in no case shall an  
20 adjustment be less than zero or shall there be a reduction in  
21 the pension benefit;

22 (6) if the funded ratio is equal to or greater  
23 than ninety percent but less than one hundred percent and the  
24 percentage increase of the consumer price index between the  
25 second preceding calendar year and the preceding calendar year

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1 is greater than two percent, the qualified pension recipient's  
2 monthly pension benefit shall be increased in an amount  
3 determined by multiplying the amount of pension inclusive of  
4 all prior adjustments by ninety-five percent of the consumer  
5 price index increase, provided that the adjustment shall not  
6 exceed two and one-half percent. In no case shall an  
7 adjustment be less than zero or shall there be a reduction in  
8 the pension benefit;

9 (7) if the funded ratio is equal to or greater  
10 than one hundred percent and the percentage increase of the  
11 consumer price index between the second preceding calendar year  
12 and the preceding calendar year is less than or equal to two  
13 percent, the qualified pension recipient's monthly pension  
14 benefit shall be increased in an amount determined by  
15 multiplying the amount of pension inclusive of all prior  
16 adjustments by one hundred percent of the consumer price index  
17 increase, but in no case shall an adjustment be less than zero  
18 or shall there be a reduction in the pension benefit; and

19 (8) if the funded ratio is equal to or greater  
20 than one hundred percent and the percentage increase of the  
21 consumer price index between the second preceding calendar year  
22 and the preceding calendar year is greater than two percent,  
23 the qualified pension recipient's monthly pension benefit shall  
24 be increased in an amount determined by multiplying the amount  
25 of pension inclusive of all prior adjustments by ninety-five

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1 percent of the consumer price index increase, provided that the  
2 adjustment shall not exceed three percent. In no case shall an  
3 adjustment be less than zero or shall there be a reduction in  
4 the pension benefit.

5 F. For a normal retired member who worked for at  
6 least twenty-five years under one or more applicable coverage  
7 plans and whose annual pension benefit, after all previous  
8 annual cost-of-living adjustments, is equal to an amount not  
9 greater than twenty thousand dollars (\$20,000), the pension  
10 benefit shall be increased by two and one-half percent each  
11 July 1. The amount of the increase shall be determined by  
12 multiplying the amount of pension, inclusive of all prior  
13 adjustments, by two and one-half percent.

14 G. For a disability retired member whose annual  
15 pension benefit, after all previous annual cost-of-living  
16 adjustments, is equal to an amount not greater than twenty  
17 thousand dollars (\$20,000), the pension benefit shall be  
18 increased by two and one-half percent each July 1. The amount  
19 of the increase shall be determined by multiplying the amount  
20 of pension, inclusive of all prior adjustments, by two and  
21 one-half percent.

22 H. A qualified pension recipient may decline an  
23 increase in a pension by giving the association written notice  
24 of the decision to decline the increase at least thirty days  
25 prior to the date the increase would take effect."

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