

LFC Requester:	Simon
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date January 25, 2024

Bill No: HB 222

Sponsor: Harper, Lara
Short Title: Educational Retirees Returning Salary Cap

Agency Name and Code NMICC - 994
Number: _____
Person Writing Vanessa K. Hawker
Phone: _____ **Email** vhawker@hawkerhynson.com

SECTION II: FISCAL IMPACT

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Indeterminate but minimal					Post-secondary Institution Funds

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

House Bill 222 (HB 222) increases the maximum annual earnings an education retirement retiree may earn if they return to work under the option provided in 22-11-25.1.H.(3) from \$15 thousand to \$30 thousand.

FISCAL IMPLICATIONS

The impact on institutional operating budgets is indeterminate.

SIGNIFICANT ISSUES

Educational retirement retirees who return to work at a post-secondary institution while retaining their educational retirement benefits, return under one of three provisions: they are employed at less than .25 FTE, they earn less than \$15 thousand per year, or they return to work for no more than 36 consecutive or nonconsecutive months.

For return-to-work retirees already at the earnings maximum, increasing the maximum earnings from \$15 thousand to \$30 thousand would allow the institution to increase their wages, would allow the retiree to work more or both.

Return to work employees are an asset to post-secondary institutions. Raising the maximum earnings for retirees who elected to return under the earnings maximum model is appropriate.