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: Date 20JAN2024
Original   x   **Amendment** _____   **Bill No**: SB 124
Correction _____ **Substitute** _____

Sponsor:	Craig W. Brandt and Mark Moores	**Agency Name and Code Number**: 790-Department of Public Safety
Short Title:	Law Enforcement Retirement Service Credit	**Person Writing Bill Analysis**: Kiki Arellano
		Phone: 505-479-2184 Kiki.arellano@dps.nm

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	**FY25**		
NFI	NFI	N/A	
NFI	NFI	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	**FY25**	**FY26**		
NFI	NFI	NFI	N/A	N/A
NFI	NFI	NFI	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	NFI	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Similar in part to 2024 SB87

SECTION III: NARRATIVE

BILL SUMMARY

(Similar in part to 2024 SB87) SB 142 amends the Public Employees Retirement Act to provide for law enforcement officers from another state or federal agency, subsequently employed by a New Mexico affiliated public employer, to purchase up to five years of service credit upon retirement.

Purchase of service credit requires that the employee:

- was a full-time employee in the other jurisdiction with a duty to maintain public order and make arrests for crimes
- pays PERA the purchase cost of the credit
- has accrued applicable minimum years of service credit for normal retirement
- provides proof of the period of relevant employment as required by PERA.

FISCAL IMPLICATIONS

No additional fiscal implications to DPS have been identified as potential seasoned return-to-work members would be hired into vacant positions that DPS has projected in Personal Service and Employee Benefit (PSEB) cost needs for the respective funding source and allocated it in the respective expenditure projections. The higher retirement percentage would not have a fiscal impact because the agency will still be making PERA contributions at the same rate.

In addition, if both the agency and members are making contributions it will have a net positive impact on PERA funding and improve the financial health of the pension system.

SIGNIFICANT ISSUES

DPS believes this bill would increase the number of out of state applicants coming to New Mexico to work in law enforcement. The ability to hire officers from other states would be improved because there would be an avenue for those individuals to "roll" some of their invested retirement savings from the other state into the New Mexico PERA plan. This would prevent them from having to completely start over with their law enforcement career when they come to New Mexico.

This will be an added incentive to young officers in other states to join a New Mexico agency and could be especially beneficial in areas bordering the surrounding states. The result would be a net increase in New Mexico law enforcement officers.

PERFORMANCE IMPLICATIONS

No significant performance implications for DPS.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Similar in part to 2024 SB87

TECHNICAL ISSUES

No technical issues to DPS.

OTHER SUBSTANTIVE ISSUES

None identified.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo will remain.

AMENDMENTS

None, currently.