AGENCY BILL ANALYSIS 2024 REGULAR SESSION

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SECTION I: GENERAL INFORMATION

		AL INFORMATION original bill, amendment,		n of a previous bill}		
Che Original Correction		apply: endment stitute		Date Bill No:	January 24, 2024 SB 128	
Sponsor: Senator Michael Padilla		Agency Name and Code Number:		521 – Energy, Minerals and Natural Resources Department		
Short			Person Writing	Laura Mo	Laura McCarthy	
Title:	State Fire F	Retirement	Phone: 505-490-2954 Email Laura.McCarthy@emnrd.n			
		ppropriation	N.1	Recurring	Fund Affected	
	FY24	FY2	25 01 14	Tomecurring	Affected	
(Parenthesis () Indicate Exp	enditure Decreases) REVENUI	E (dollars in thous	sands)		
		Estimated Revenue		Recurri	ng Fund	
FY	24	FY25 FY26 Nor		or Nonrecuri	or Affected	

(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		\$130.0	\$145.0	\$275.0	Recurring	GF and Federal

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A Duplicates/Relates to Appropriation in the General Appropriation Act - Unknown

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: This bill will create a state fire member and provide a definition for a "state fire member," and will change the name of Public Employees Retirement Agency (PERA) Coverage Plan 1 from "State Police Member, Correctional Officer Member and Probation and Parole Officer Member" to "State Public Safety Member." By making this change, Coverage Plan 1 will be inclusive of state fire members. The bill also will provide for an election pertaining to the adoption of the State Public Safety Member Coverage Plan 1, as well as make several minor technical changes to the Public Employees Retirement Act.

FISCAL IMPLICATIONS

The Forestry Division estimates that the cost of adding state wildland firefighters who qualify as state fire members can be absorbed in vacancy savings in FY 2025. The additional cost will be budgeted in FY 2026 and beyond.

SIGNIFICANT ISSUES

The Forestry Division competes to hire wildland firefighters with the USDA Forest Service and Department of the Interior. Both of these agencies offer their employees an enhanced retirement plan. The addition of state fire members to the newly named State Public Safety Member Coverage Plan 1 will allow New Mexico to attract and retain qualified wildland firefighters to staff both our Hotshot and general Wildfire Response fire crews.

PERFORMANCE IMPLICATIONS

SB 128 will reduce the Forestry Division's vacancy rate for wildland firefighters by improving recruitment and retention and allowing the state to compete with federal land management agencies hiring for the same types of positions based in New Mexico.

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If this bill is not enacted, wildland firefighters employed by the State will not be eligible for an enhanced retirement plan. Wildland firefighters who are exposed to toxic wildfire smoke and work in exceptionally harsh conditions will not be eligible for PERA Plan 1 enhanced retirement. The Forestry Division will remain at a disadvantage when hiring and retaining wildland firefighters because the federal land management agencies offer an attractive enhanced retirement package. As a result, the revolving door of Forestry Division hiring and training entry-level wildland firefighters who leave for positions in the federal land management agencies after a few years will continue.

AMENDMENTS