

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

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(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}

Date Prepared: 1/16/26 **Check all that apply:**
Bill Number: HB 43 **Original** **Correction**
Amendment **Substitute**

Sponsor: <u>Representative Borrego</u>	Agency Name and Code <u>366-PERA</u>
Short Title: <u>DISABILITY & SURVIVOR PENSIONS CHANGES</u>	Number: <u> </u>
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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB 43 makes numerous non-substantive changes to clarify several sections within the PERA Act to remove ambiguous or otherwise unclear provisions and to ensure statutory consistency with current administrative practice. Substantive changes include the following:

HB 43 amends the Public Employees Retirement Act [NMSA 1978 10-11-4] to remove the requirement that the purchase of withdrawn service credit must be made in a single lump sum amount and must be purchased in increments of one year and instead allows the PERA Board to determine the process. PERA Rules currently require a process identical to statute, therefore no changes will immediately occur if this section is amended, but the change would allow the PERA Board to consider other potential procedures through rulemaking.

The bill amends section [NMSA 1978 10-11-4.2] to remove the word “him” and to replace with a gender-neutral “that person” and to remove “member of beneficiary” and replace it with “person.” Both changes are consistent with existing language in the statute. The bill also removes the words “if necessary” following the existing provision for the collection of attorney fees.

The bill amends section [NMSA 1978 10-11-6.1] to include state fire members in the class of members who may earn service credit while on approved worker’s compensation leave for a duty-related injury resulting from performing work in an inherently dangerous location or under inherently dangerous circumstances.

The bill amends section [NMSA 1978 10-11-10.1] to remove the requirement that at least one member of the disability review committee be a physician licensed in New Mexico and changes the earnings allowable for a disability retiree to the limit allowed by the federal social security program.

The bill corrects an internal inconsistency in the payment of pre-retirement survivor benefits in section [NMSA 1978 10-11-14.5] to align with current administrative practice.

The bill amends section [NMSA 10-11-130] to provide that the association may provide member or retired member information to the educational retirement board for purposes of administering the Public Employees Retirement Reciprocity Act.

The bill amends [NMSA 1978 10-11-130.1] to clarify that members of the retirement board and employees of the association must comply with the provisions of the Gift Act.

The bill amends [NMSA 1978 10-11-135] to clarify that PERA benefits are subject to federal levy or other process, which is currently codified in administrative rules.

The bill amends [NMSA 1978 10-11A-7] of the Volunteer Firefighter’s Act to provide that a surviving spouse’s benefit does not terminate upon remarriage.

The bill lastly amends [NMSA 1978 10-12C-4] to clarify the existing requirement that a retired member who is otherwise exempt from the membership requirements for Magistrate judges must pay member contributions while in office and the administrative office of the courts must pay employer contributions.

FISCAL IMPLICATIONS

HB 43 should not have an impact to PERA's operating budget.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

HB 43 will not affect PERA's performance measures.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

PERA would continue to follow the existing requirements of the PERA Act for the noted sections and the New Mexico Constitution.

AMENDMENTS

None.