

LFC Requester:

Joesph Simon

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.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}*Date Prepared: 1.23.2026

Check all that apply:

Bill Number: SB 71Original Correction Amendment Substitute Sponsor: David M. GallegosAgency Name and Code NM Department of Homeland Security & EmergencyNumber: Management-79500Short Title: PERA ChangesPerson Writing Amber Gonzales

Title: _____

Phone: 505-487-6692 Email Amber.gonzales@dhsem.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---------------|------|---------------------------|---------------|
| FY26 | FY27 | | |
| \$0 | \$0 | N/A | N/A |
| | | | |

REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring or Nonrecurring | Fund Affected |
|-------------------|------|------|---------------------------|---------------|
| FY26 | FY27 | FY28 | | |
| \$0 | \$0 | \$0 | NA | N/A |
| | | | | |

(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: Senate Bill 71 amends the Public Employees Retirement Act (PERA) to include public safety telecommunicators within the definition of police members for retirement purposes. The bill authorizes elections, allowing current public safety telecommunicators employed by state and municipal entities to opt into enhanced police or public safety coverage plans under PERA. The elections must be conducted by the Public Employees Retirement Association on or before December 30, 2026, with results certified by January 1, 2027.

FISCAL IMPLICATIONS

SB 71 could change employer and employee contribution rates for positions that elect coverage under police or public safety plans, which typically carry higher contribution requirements than general member plans.

SIGNIFICANT ISSUES

This bill may raise consideration among other public employees performing critical public safety or emergency response functions who are not included in the expanded definition. Additionally, long-term impacts on PERA's funded status will depend on participation rates and actuarial assumptions.

PERFORMANCE IMPLICATIONS

This bill includes public safety telecommunicators in police member retirement, which could have a positive impact on workforce performance. Telecommunicators perform critical, high-stress work in emergencies, and allowing them access to police-level retirement benefits makes these positions more competitive, improving recruitment and retention of skilled personnel. Higher retention reduces the costs and operational disruptions associated with frequent turnover, such as training new staff and potential errors due to inexperience. Additionally, being recognized as essential public safety personnel through inclusion in the police coverage plans can enhance employee morale, motivation, and job satisfaction, which contributes to more consistent, effective performance on the job. Overall, by improving morale, recognition, and retention, this bill supports long-term operational effectiveness and reliability in emergency response services, providing more experienced and stable personnel in roles that are vital to public safety.

ADMINISTRATIVE IMPLICATIONS

The inclusion of public safety telecommunicators in police member retirement plans will create several administrative responsibilities for PERA and affiliated employers. PERA must conduct two elections, one for municipal telecommunicators and police members to adopt Municipal Police Member Coverage Plan 5, and one for state telecommunicators and state police members to adopt State Public Safety Member Coverage Plan 1 by the deadlines specified in the bill. This will require developing and implementing election procedures, distributing ballots, tracking participation, and certifying results to the Secretary of State, all within a relatively short timeframe, making it a time-intensive administrative task. Employers will also need to update payroll systems to reflect changes in contribution rates and plan membership for telecommunicators who elect to switch plans. If approved, affected employers will need to adjust budgets to accommodate higher employer contribution rates, which is another time-intensive task. Additionally, PERA and employers will need to educate employees about the differences between general and police coverage plans to ensure informed decision-making, prevent confusion, and reduce the risk of future disputes. Maintaining accurate records, recalculating benefits for new plan participants, and

coordinating implementation across multiple municipalities and state agencies may temporarily increase employer workload. Overall, while these administrative impacts are largely short-term, careful planning and coordination will be necessary to ensure a smooth transition and proper implementation of the new retirement coverage options.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS