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SENATE BILL 582

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Cisco McSorley

AN ACT

RELATING TO EDUCATIONAL RETIREMENT; CHANGING CERTAIN
PROVISIONS OF THE EDUCATIONAL RETIREMENT ACT PERTAINING TO
MEMBERSHIP ELIGIBILITY OF CERTAIN TRANSFERRED EMPLOYEES;
AMENDING AND ENACTING SECTIONS OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 22-11-2 NMSA 1978 (being Laws 1967,
Chapter 16, Section 126, as amended) is amended to read:

"22-11-2. DEFINITIONS. -- As used in the Educational
Retirement Act:

A. "member" means any employee, except for a
participant coming within the provisions of the Educational
Retirement Act;

B. "regular member" means:

(1) a person regularly employed as a

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1 teaching, nursing or administrative employee of a state
2 educational institution, except for:

3 (a) a participant; or

4 (b) all employees of a general hospital
5 or outpatient clinics thereof operated by a state educational
6 institution named in Article 12, Section 11 of the
7 constitution of New Mexico other than a transferred employee
8 who exercises an option to remain a regular member pursuant to
9 Section 22-11-16.1 NMSA 1978;

10 (2) a person regularly employed as a
11 teaching, nursing or administrative employee of a junior
12 college or community college created pursuant to Chapter 21,
13 Article 13 NMSA 1978;

14 (3) a person regularly employed as a
15 teaching, nursing or administrative employee of a technical
16 and vocational institute created pursuant to the Technical and
17 Vocational Institute Act;

18 (4) a person regularly employed as a
19 teaching, nursing or administrative employee of the New Mexico
20 boys' school, the New Mexico girls' school, the Los Lunas
21 medical center or a school district or as a certified school
22 instructor of a state institution or agency providing an
23 educational program and holding a standard or substandard
24 certificate issued by the state board;

25 (5) a person regularly employed by the

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1 department of education or the board holding a standard or
2 substandard certificate issued by the state board at the time
3 of commencement of such employment;

4 (6) a member classified as a regular member
5 in accordance with the regulations of the board;

6 (7) a person regularly employed by the New
7 Mexico activities association holding a standard certificate
8 issued by the state board at the time of commencement of such
9 employment; or

10 (8) a person regularly employed by a regional
11 education cooperative holding a standard certificate issued by
12 the state board at the time of commencement of such
13 employment;

14 C. "provisional member" means a person not
15 eligible to be a regular member but who is employed by a local
16 administrative unit designated in Subsection B of this
17 section; provided, however, that employees of a general
18 hospital or outpatient clinics thereof operated by a state
19 educational institution named in Article 12, Section 11 of the
20 constitution of New Mexico are not provisional members;

21 D. "local administrative unit" means an employing
22 agency however constituted that is directly responsible for
23 the payment of compensation for the employment of members or
24 participants;

25 E. "beneficiary" means a person having an

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1 insurable interest in the life of a member or a participant
2 designated by written instrument duly executed by the member
3 or participant and filed with the director to receive a
4 benefit pursuant to the Educational Retirement Act that may be
5 received by someone other than the member or participant;

6 F. "employment" means employment by a local
7 administrative unit that qualifies a person to be a member or
8 participant;

9 G. "service employment" means employment that
10 qualifies a person to be a regular member;

11 H. "provisional service employment" means
12 employment that qualifies a person to be a provisional member;

13 I. "prior employment" means employment performed
14 prior to the effective date of the Educational Retirement Act
15 that would be service employment or provisional service
16 employment if performed thereafter;

17 J. "service credit" means that period of time with
18 which a member is accredited for the purpose of determining
19 his eligibility for and computation of retirement or
20 disability benefits;

21 K. "earned service credit" means that period of
22 time during which a member was engaged in employment or prior
23 employment with which he is accredited for the purpose of
24 determining his eligibility for retirement or disability
25 benefits;

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1 L. "allowed service credit" means that period of
2 time during which a member has performed certain nonservice
3 employment with which he may be accredited, as provided in the
4 Educational Retirement Act, for the purpose of computing
5 retirement or disability benefits;

6 M. "retirement benefit" means an annuity paid
7 monthly to members whose employment has been terminated by
8 reason of their age;

9 N. "disability benefit" means an annuity paid
10 monthly to members whose employment has been terminated by
11 reason of a disability;

12 O. "board" means the educational retirement board;

13 P. "fund" means the educational retirement fund;

14 Q. "director" means the educational retirement
15 director;

16 R. "medical authority" means a medical doctor
17 within the state or as provided in Subsection D of Section
18 22-11-36 NMSA 1978 either designated or employed by the board
19 to examine and report on the physical condition of applicants
20 for or recipients of disability benefits;

21 S. "actuary" means a person trained and regularly
22 engaged in the occupation of calculating present and projected
23 monetary assets and liabilities under annuity or insurance
24 programs;

25 T. "actuarial equivalent" means a sum paid as a

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1 current or deferred benefit that is equal in value to a
2 regular benefit, computed upon the basis of interest rates and
3 mortality tables;

4 U. "contributory employment" means employment for
5 which contributions have been made by both a member and a
6 local administrative unit pursuant to the Educational
7 Retirement Act;

8 V. "qualifying state educational institution"
9 means the university of New Mexico, New Mexico state
10 university, New Mexico institute of mining and technology, New
11 Mexico highlands university, eastern New Mexico university and
12 western New Mexico university;

13 W. "participant" means:

14 (1) a person regularly employed as a faculty
15 or professional employee of a qualifying state educational
16 institution who first becomes employed with such an
17 educational institution on or after July 1, 1991 and who
18 elects, pursuant to Section 22-11-47 NMSA 1978, to participate
19 in the alternative retirement plan; and

20 (2) a person regularly employed who performs
21 research or other services pursuant to a contract between a
22 qualifying state educational institution and the United States
23 government or any of its agencies who elects, pursuant to
24 Section 22-11-47 NMSA 1978, to participate in the alternative
25 retirement plan, provided that the research or other services

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1 are performed outside the state;

2 X. "salary" means the compensation or wages paid
3 to a member or participant by any local administrative unit
4 for services rendered; and

5 Y. "alternative retirement plan" means the
6 retirement plan provided for in Sections 22-11-47 through
7 22-11-52 NMSA 1978. "

8 Section 2. A new section of the Educational Retirement
9 Act, Section 22-11-16.1 NMSA 1978, is enacted to read:

10 "22-11-16.1. [NEW MATERIAL] REGULAR MEMBERSHIP
11 CONTINUATION OF CERTAIN TRANSFERRED EMPLOYEES. -- A regular
12 member who is an employee of a local administrative unit that
13 is a state educational institution named in Article 12,
14 Section 11 of the constitution of New Mexico and who transfers
15 to a general hospital or outpatient clinics of that hospital
16 operated by the local administrative unit will have the option
17 to continue his regular membership rather than become a member
18 of a retirement plan offered by the general hospital or
19 outpatient clinics of that hospital. The option shall be
20 exercised by filing a written election with both the
21 educational retirement director and the designated officer of
22 the local administrative unit. This election shall be made
23 within sixty days after the effective date of the regular
24 member's transfer and shall be irrevocable as long as the
25 employee is employed by the general hospital or outpatient

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1 clinics of that hospital operated by the local administrative
2 unit. "

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1 FORTY-FOURTH LEGISLATURE
2 FIRST SESSION, 1999
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6 March 11, 1999

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8 Mr. President:

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10 Your EDUCATION COMMITTEE, to whom has been referred

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12 SENATE BILL 582

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14 has had it under consideration and reports same with
15 recommendation that it DO PASS, and thence referred to the
16 FINANCE COMMITTEE.

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18 Respectfully submitted,
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25 Cynthia Nava, Chairman

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1 Adopted _____ Not

2 Adopted _____

3 (Chief Clerk)

(Chief Clerk)

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6 Date _____

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9 The roll call vote was 6 For 0 Against

10 Yes: 6

11 No: 0

12 Excused: Adair, Duran, Gorham, Jennings

13 Absent: None

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1 FORTY-FOURTH LEGISLATURE

2 FIRST SESSION, 1999

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6 March 15, 1999

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8 Mr. President:

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10 Your FINANCE COMMITTEE, to whom has been referred

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12 SENATE BILL 582

13
14 has had it under consideration and reports same with
15 recommendation that it DO PASS.

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18 Respectfully submitted,

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24 Ben D. Altamirano, Chairman

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Adopted _____ Not

1 Adopted _____

2 (Chief Clerk)

(Chief Clerk)

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6 Date _____

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9 The roll call vote was 8 For 0 Against

10 Yes: 8

11 No: 0

12 Excused: Campos, Ingle, McKibben, Smith, Tsosie

13 Absent: None

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1 FORTY-FOURTH LEGISLATURE
2 FIRST SESSION, 1999
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6 March 19, 1999
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8 Mr. Speaker:
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10 Your APPROPRIATIONS AND FINANCE COMMITTEE, to
11 whom has been referred
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13 SENATE BILL 582
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15 has had it under consideration and reports same with
16 recommendation that it DO PASS.

17 Respectfully submitted,
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22 Max Coll, Chairman
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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

Page 14

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 15 For 0 Against

Yes: 15

Excused: Abeyta, Picraux

Absent: None

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1 FORTY- FOURTH LEGISLATURE
2 FIRST SESSION, 1999

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4 March 19, 1999

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7 Mr. Speaker:

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9 Your APPROPRIATIONS AND FINANCE COMMITTEE, to
10 whom has been referred

11 SENATE BILL 582

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13 has had it under consideration and reports same with
14 recommendation that it DO PASS.

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16 Respectfully submitted,

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21 Max Coll, Chairman
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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

Page 16

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 15 For 0 Against

Yes: 15

Excused: Abeyta, Picraux

Absent: None

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FORTY- FOURTH LEGISLATURE
FIRST SESSION

March 19, 1999

HOUSE FLOOR AMENDMENT number _____ to SENATE BILL 582

Amendment sponsored by Representative

1. On page 1, line 14, strike "AMENDING AND ENACTING SECTIONS"
and insert in lieu thereof "ENACTING A SECTION".

2. On pages 1 through 7, strike Section 1 in its entirety.

3. Renumber the succeeding section accordingly.

4. On page 7, line 11, strike "A" and insert in lieu thereof
"Notwithstanding Subparagraph (b) of Paragraph (1) of Subsection B of
Section 22-11-2 NMSA 1978, a".

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FORTY- FOURTH LEGISLATURE
FIRST SESSION

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HF1/SB 582

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Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

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