



To: New Mexico Legislators

January 25, 2022

From: AFSCME, APOA, CWA, IAFF, and the NM Federation of Labor

Re: **Please oppose HB 50, HB 105 & HB 106 (re-instating double dipping)**

DOUBLE DIPPING ACTS AS A WAGE SUPPRESSION TOOL: By having PERA double the take home pay of a significant percentage of employees, the employer can pay less to fill its other spots. The state legislature shouldn't artificially lower wages by allowing double dipping. Employers need to start paying at least market rates to hire their workers rather than relying on PERA to artificially fill positions and keep wages down.

DOUBLE DIPPING COMPROMISES PERA SOLVENCY: Even if return to work bills can be structured to avoid long-term negative impacts on PERA, there can be immediate negative hits to PERA, and long-term solvency problems if assumptions don't pan out. Everyone made significant sacrifices to put PERA on a solvency path in 2013 and again in 2020. Those sacrifices were never meant to ensure that the well-connected could double their take-home pay. If double dipping is allowed to continue for future retirees, it will incentivize workers retiring sooner than they ever would have, creating a major run on PERA.

DOUBLE DIPPING HURTS FRONT-LINE STAFFING: Double dipping doesn't make cities safer and actually exacerbates street officer shortages. When APD double dippers were asked to work on the street, they successfully filed an EEOC age discrimination complaint. APD was forced to settle and gave them desk jobs. As of mid-2016, 78% of APD's double dippers were in desk jobs, not on the street, leaving less money to hire front-line workers.

The clause in HB 105 and HB 106 requiring "entry level" positions doesn't solve the problem. There's no explicit suspension of PERA when a double dipper is promoted; there's not a definition of "entry level", so it could mean "entry level management"; and if double dippers bring an action based on age discrimination, the entry level clause will likely be stricken.

DOUBLE DIPPING IS EXTREMELY UNPOPULAR WITH THE PUBLIC AND ENDANGERS THE LONG-TERM PUBLIC SUPPORT FOR PENSIONS: Taxpayers don't like public servants collecting full pensions and keeping their job as if they never retired. The frequent (justified) media critiques of double dipping tarnish retirement for all workers and put public support and the political viability of defined benefit retirement plans at risk. Given that these bills are incredibly broad, applying to all employers and positions, the public blowback will be unavoidable.

THERE ARE OTHER SOLUTIONS: Just this session, Gov. Lujan Grisham is proposing a \$100 million law enforcement fund to recruit and retain more law enforcement officers. There is also the potential to tap into the Law Enforcement Protection Fund to pay for retention bonuses, as well as adding longevity pay (which is already moving this session). Thank you.

Shaun Willoughby, Albuquerque Police Officers Association (APOA)
Carter Bundy, American Federation of State, County & Municipal Employees (AFSCME)
Dan Secrist, Communications Workers of America (CWA)
Justin Cheney, International Association of Fire Fighters (IAFF)
Vince Alvarado, New Mexico Federation of Labor (NMFL)

