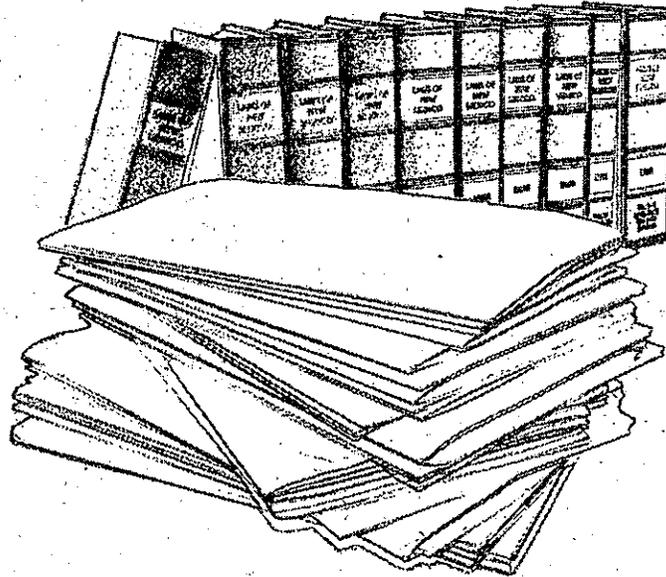
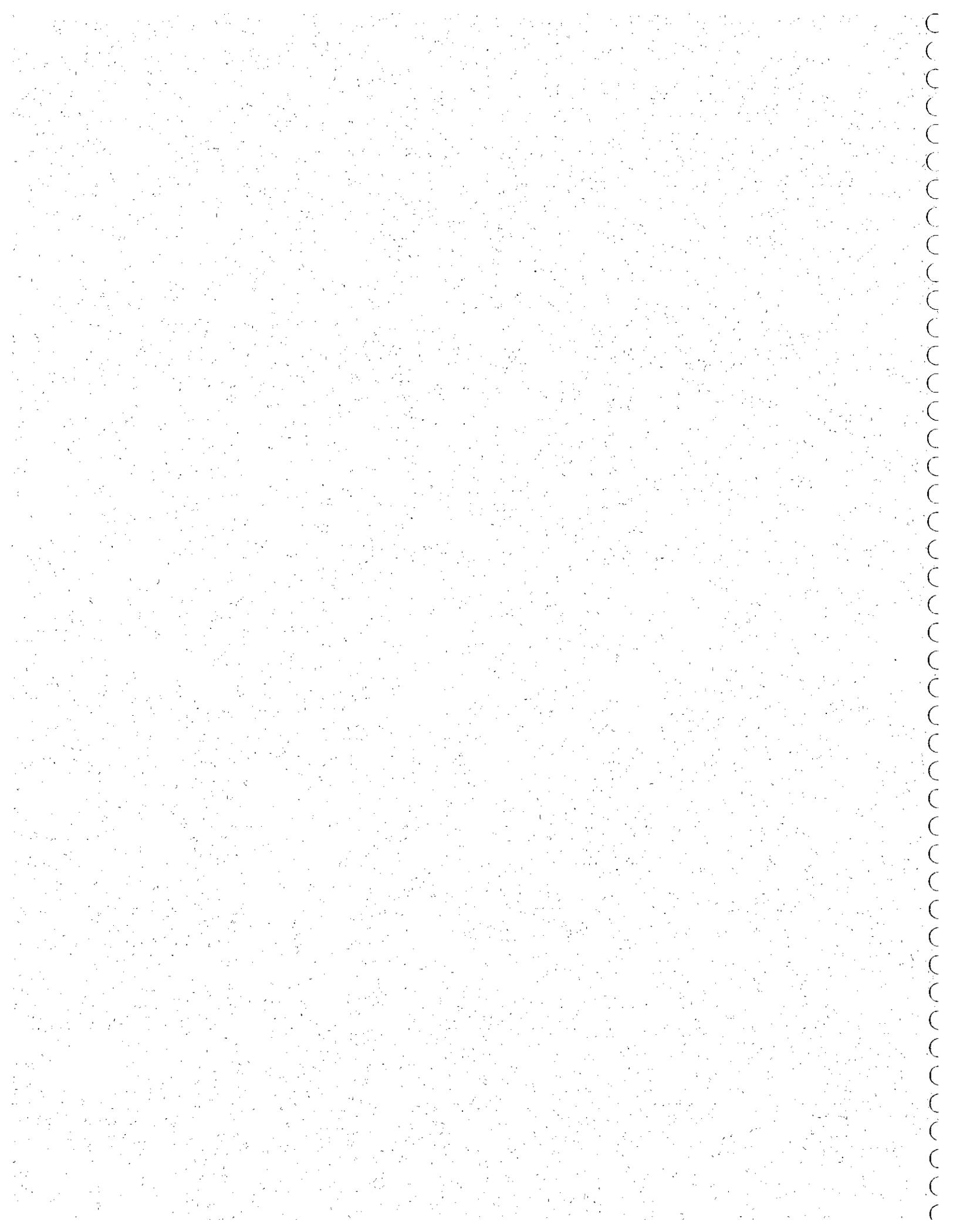


# INVESTMENTS AND PENSIONS OVERSIGHT COMMITTEE



## LEGISLATION PROPOSED FOR IPOC ENDORSEMENT

DECEMBER 17, 2012



**LEGISLATION PROPOSED FOR ENDORSEMENT  
AT THE  
DECEMBER 17 IPOC MEETING**

**PERA BOARD PROPOSAL**

1. PERA SOLVENCY BILL PROPOSED BY THE PERA BOARD (.190199.5SA)

**ADJUSTMENTS TO PERA BOARD PROPOSAL**

2. PERA BOARD-PROPOSED SOLVENCY BILL WITH NEW TIER DATE  
MOVED FROM JULY 1, 2010 TO JULY 1, 2013 (.190837.2)
3. EMPLOYER PICKUP OF FUTURE EMPLOYEE CONTRIBUTIONS BY  
MUNICIPALITIES OPTIONAL (.190744.2)
4. CALCULATING SERVICE CREDIT UNDER MULTIPLE PLANS (.190838.1)

**OTHER PROPOSALS AFFECTING PERA PENSION PLANS**

5. RETURN TO WORK FOR CHIEFS OF POLICE AND  
UNDER-SHERIFFS (.190849.1)
6. RETURN TO WORK FOR MUNICIPAL POLICE, STATE POLICE  
AND ADULT CORRECTIONAL OFFICERS (.190850.1)
7. PERA BOARD DISCRETION ON CONTRIBUTIONS AND COLA  
(.190476.2)
8. JUDGES AND MAGISTRATES PROPOSAL BROUGHT FORTH BY AOC  
(.190621.3SA)
9. MAKE JUDGES AND MAGISTRATES PLAN TRACK WITH STATE  
GENERAL PLAN 3 (.190682.2)
10. DOCKET FEES TO GENERAL FUND (.190544.1)
11. GOVERNOR COVERED BY LEGISLATIVE PLAN (.190634.1)
12. RETURN TO WORK FOR EMPLOYEES EARNING LESS THAN  
\$15,000 PER YEAR (.190546.1)

**ERB BOARD PROPOSAL**

13. ERB SOLVENCY BILL PROPOSED BY THE ERB (.190746.6SA)

**ADJUSTMENTS TO ERB BOARD PROPOSAL**

14. ERB BOARD-PROPOSED SOLVENCY BILL WITH EXEMPTION  
OF EMPLOYEES EARNING \$20,000 OR LESS FROM  
CONTRIBUTION INCREASE (.190404.5)

**PROPOSALS AFFECTING THE EDUCATION TRUST BOARD**

15. MOVE THE COLLEGE SAVINGS PROGRAM TO THE SIC (.190831.1)

**ADDITIONAL LEGISLATION**

16. INCREASING EMPLOYER AND EMPLOYEE CONTRIBUTIONS  
TO THE RETIREE HEALTH CARE FUND (.190944.1)



# PERA BOARD PROPOSAL



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BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PENSIONS; AMENDING THE PUBLIC EMPLOYEES RETIREMENT  
ACT; REDUCING THE COST-OF-LIVING ADJUSTMENTS FOR ALL RETIREES;  
DELAYING THE COST-OF-LIVING ADJUSTMENT FOR CERTAIN FUTURE  
RETIREES; SUSPENDING THE COST-OF-LIVING ADJUSTMENTS FOR CERTAIN  
RETURN-TO-WORK RETIREES; PROVIDING FOR AN INCREASE IN EMPLOYEE  
AND EMPLOYER CONTRIBUTIONS; CHANGING THE BENEFITS FOR MEMBERS  
INITIALLY EMPLOYED AFTER JUNE 30, 2010 BY REDUCING THE  
MULTIPLIER AND INCREASING THE NUMBER OF YEARS USED TO CALCULATE  
THE FINAL AVERAGE SALARY, INCREASING VESTING REQUIREMENTS,  
INCREASING AGE AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT  
AND INCREASING THE MAXIMUM PENSION BENEFIT; LIMITING PLAN  
ENHANCEMENTS; RECONCILING MULTIPLE AMENDMENTS TO THE SAME  
SECTION OF LAW IN LAWS 2003; AMENDING, REPEALING AND ENACTING  
SECTIONS OF THE NMSA 1978.

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

2 SECTION 1. Section 10-11-2 NMSA 1978 (being Laws 1987,  
3 Chapter 253, Section 2, as amended) is amended to read:

4 "10-11-2. DEFINITIONS.--As used in the Public Employees  
5 Retirement Act:

6 A. "accumulated member contributions" means the  
7 amounts deducted from the salary of a member and credited to  
8 the member's individual account, together with interest, if  
9 any, credited to that account;

10 B. "affiliated public employer" means the state and  
11 any public employer affiliated with the association as provided  
12 in the Public Employees Retirement Act, but does not include an  
13 employer pursuant to the Magistrate Retirement Act, the  
14 Judicial Retirement Act or the Educational Retirement Act;

15 C. "association" means the public employees  
16 retirement association established under the Public Employees  
17 Retirement Act;

18 D. "disability retired member" means a retired  
19 member who is receiving a pension pursuant to the disability  
20 retirement provisions of the Public Employees Retirement Act;

21 E. "disability retirement pension" means the  
22 pension paid pursuant to the disability retirement provisions  
23 of the Public Employees Retirement Act;

24 F. "educational retirement system" means that  
25 retirement system provided for in the Educational Retirement

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1 Act;

2 G. "employee" means any employee of an affiliated  
3 public employer;

4 H. "federal social security program" means that  
5 program or those programs created and administered pursuant to  
6 the act of congress approved August 14, 1935, Chapter 531, 49  
7 Stat. 620, as that act may be amended;

8 I. "final average salary" means the final average  
9 salary calculated in accordance with the provisions of the  
10 applicable coverage plan;

11 J. "form of payment" means the applicable form of  
12 payment of a pension provided for in Section 10-11-117 NMSA  
13 1978;

14 K. "former member" means a person who was  
15 previously employed by an affiliated public employer, who has  
16 terminated that employment and who has received a refund of  
17 member contributions;

18 L. "fund" means the funds included under the Public  
19 Employees Retirement Act;

20 M. "member" means a currently employed,  
21 contributing employee of an affiliated public employer, or a  
22 person who has been but is not currently employed by an  
23 affiliated public employer, who has not retired and who has not  
24 received a refund of member contributions; "member" also  
25 includes the following:

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1                   (1) "adult correctional officer member" means  
2 a member who is employed as an adult correctional officer or an  
3 adult correctional officer specialist ~~[employed]~~ by a state  
4 correctional facility of the corrections department or its  
5 successor agency;

6                   ~~[(2) "hazardous duty member" means a member~~  
7 ~~who is a juvenile correctional officer employed by the~~  
8 ~~children, youth and families department or its successor~~  
9 ~~agency;]~~

10                   (2) "juvenile correctional officer member"  
11 means a member who is employed as a juvenile correctional  
12 officer by the children, youth and families department or its  
13 successor agency;

14                   (3) "municipal detention officer member" means  
15 a member who is employed by an affiliated public employer other  
16 than the state and who has inmate custodial responsibilities at  
17 a facility used for the confinement of persons charged with or  
18 convicted of a violation of a law or ordinance;

19                   (4) "municipal fire member" means any member  
20 who is employed as a full-time nonvolunteer firefighter by an  
21 affiliated public employer and who has taken the oath  
22 prescribed for firefighters;

23                   (5) "municipal police member" means any member  
24 who is employed as a police officer by an affiliated public  
25 employer, other than the state, and who has taken the oath

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1 prescribed for police officers; and  
2 (6) "state police member" means any member who  
3 is an officer of the New Mexico state police and who has taken  
4 the oath prescribed for such officers;  
5 N. "membership" means membership in the  
6 association;  
7 O. "pension" means a series of monthly payments to  
8 a retired member or survivor beneficiary as provided in the  
9 Public Employees Retirement Act;  
10 P. "public employer" means the state, any  
11 municipality, city, county, metropolitan arroyo flood control  
12 authority, economic development district, regional housing  
13 authority, soil and water conservation district, entity created  
14 pursuant to a joint powers agreement, council of government,  
15 conservancy district, irrigation district, water and sanitation  
16 district, water district and metropolitan water board,  
17 including the boards, departments, bureaus and agencies of a  
18 public employer, so long as these entities fall within the  
19 meaning of governmental plan as that term is used in Section  
20 414(d) of the Internal Revenue Code of 1986, as amended;  
21 Q. "refund beneficiary" means a person designated  
22 by the member, in writing, in the form prescribed by the  
23 association, as the person who would be refunded the member's  
24 accumulated member contributions payable if the member dies and  
25 no survivor pension is payable or who would receive the

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1 difference between pension paid and accumulated member  
2 contributions if the retired member dies before receiving in  
3 pension payments the amount of the accumulated member  
4 contributions;

5 R. "retire" means to:

6 (1) terminate employment with all employers  
7 covered by any state system or the educational retirement  
8 system; and

9 (2) receive a pension from a state system or  
10 the educational retirement system;

11 S. "retired member" means a person who has met all  
12 requirements for retirement and who is receiving a pension from  
13 the fund;

14 T. "retirement board" means the retirement board  
15 provided for in the Public Employees Retirement Act;

16 U. "salary" means the base salary or wages paid a  
17 member, including longevity pay, for personal services rendered  
18 an affiliated public employer. "Salary" shall not include  
19 overtime pay, allowances for housing, clothing, equipment or  
20 travel, payments for unused sick leave, unless the unused sick  
21 leave payment is made through continuation of the member on the  
22 regular payroll for the period represented by that payment, and  
23 any other form of remuneration not specifically designated by  
24 law as included in salary for Public Employees Retirement Act  
25 purposes. Salary in excess of the limitations set forth in

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1 Section 401(a) (17) of the Internal Revenue Code of 1986, as  
2 amended, shall be disregarded. The limitation on compensation  
3 for eligible employees shall not be less than the amount that  
4 was allowed to be taken into account under the state retirement  
5 system acts in effect on July 1, 1993. For purposes of this  
6 subsection, "eligible employee" means an individual who was a  
7 member of a state system before the first plan year beginning  
8 after December 31, 1995;

9 V. "state system" means the retirement programs  
10 provided for in the Public Employees Retirement Act, the  
11 Magistrate Retirement Act and the Judicial Retirement Act;

12 W. "state retirement system acts" means  
13 collectively the Public Employees Retirement Act, the  
14 Magistrate Retirement Act, the Judicial Retirement Act and the  
15 Volunteer Firefighters Retirement Act; and

16 X. "survivor beneficiary" means a person who  
17 receives a pension or who has been designated to be paid a  
18 pension as a result of the death of a member or retired  
19 member."

20 SECTION 2. Section 10-11-4 NMSA 1978 (being Laws 1987,  
21 Chapter 253, Section 4, as amended) is amended to read:

22 "10-11-4. SERVICE CREDIT--REQUIREMENTS FOR--FORFEITURE--  
23 REINSTATEMENT.--

24 A. Personal service rendered an affiliated public  
25 employer by a member shall be credited to the member's service

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1 credit account in accordance with retirement board rules and  
2 regulations. Service shall be credited to the nearest month.  
3 In no case shall any member be credited with a year of service  
4 for less than twelve months of service in any calendar year or  
5 more than a month of service for all service in any calendar  
6 month or more than a year of service for all service in any  
7 calendar year. In no case shall any member be allowed to  
8 purchase service credit unless the purchase is authorized in  
9 the Public Employees Retirement Act.

10 B. Personal service rendered an affiliated public  
11 employer prior to August 1, 1947 shall be credited to a member  
12 if the member acquires one year of service credit for personal  
13 service rendered an affiliated public employer.

14 C. Personal service rendered an affiliated public  
15 employer after July 31, 1947 but prior to the date the public  
16 employer became an affiliated public employer is prior service  
17 and shall be credited to a member if:

18 (1) the member ~~[acquires five]~~ has the  
19 applicable minimum number of years of service credit [for  
20 personal service rendered an affiliated public employer]  
21 required for normal retirement. As used in this paragraph,  
22 "service credit" means only the service credit earned by the  
23 member during periods of employment with an affiliated public  
24 employer; and

25 (2) the member pays the association the amount

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1 determined in accordance with Subsection D of this section.  
2 D. The purchase cost for each month of service  
3 credit purchased under the provisions of this section is equal  
4 to the member's final average salary multiplied by the sum of  
5 the member contribution rate and employer contribution rate  
6 determined in accordance with the coverage plan applicable to  
7 the member at the time of the written election to purchase.  
8 Full payment shall be made in a single lump-sum amount in  
9 accordance with the procedures established by the retirement  
10 board. The portion of the purchase cost derived from the  
11 employer contribution rate shall be credited to the [employer]  
12 employers accumulation fund and shall not be refunded to the  
13 member in the event of cessation of membership. In no case  
14 shall any member be credited with a month of service for less  
15 than the purchase cost as defined in this section.

16 E. Service credit shall be forfeited if a member  
17 terminates employment with an affiliated public employer and  
18 withdraws the member's accumulated member contributions.

19 F. A member or former member who is a member of  
20 another state system or the educational retirement system and  
21 who has forfeited service credit by withdrawal of member  
22 contributions may reinstate the forfeited service credit by  
23 repaying the amount withdrawn plus compound interest from the  
24 date of withdrawal to the date of repayment at the rate set by  
25 the retirement board. Withdrawn member contributions may be

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1 repaid in increments of one year in accordance with the  
2 procedures established by the retirement board. Full payment  
3 of each one-year increment shall be made in a single lump-sum  
4 amount in accordance with procedures established by the  
5 retirement board."

6 SECTION 3. Section 10-11-7 NMSA 1978 (being Laws 1987,  
7 Chapter 253, Section 7, as amended) is amended to read:

8 "10-11-7. SERVICE CREDIT--PURCHASE OF SERVICE.--

9 A. A member who entered a uniformed service of the  
10 United States may purchase service credit for periods of active  
11 duty in the uniformed services subject to the following  
12 conditions:

13 (1) the member pays the association the  
14 purchase cost determined according to Subsection E of this  
15 section;

16 (2) the member has [~~five or more~~] the  
17 applicable minimum number of years of service credit [acquired  
18 as a result of personal service rendered in the employ of an  
19 affiliated public employer] required for normal retirement. As  
20 used in this paragraph, "service credit" means only the service  
21 credit earned by the member during periods of employment with  
22 an affiliated public employer;

23 (3) the aggregate amount of service credit  
24 purchased pursuant to this subsection does not exceed five  
25 years reduced by any period of service credit acquired for

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1 military service pursuant to any other provision of the Public  
2 Employees Retirement Act;

3 (4) service credit may not be purchased for  
4 periods of service in the uniformed services that are used to  
5 obtain or increase a benefit from another retirement program;  
6 and

7 (5) the member must not have received a  
8 discharge or separation from uniformed service under other than  
9 honorable conditions.

10 B. A member who was a civilian prisoner of war  
11 captured while in service to the United States as an employee  
12 of the federal government or as an employee of a contractor  
13 with the federal government may purchase service credit for the  
14 period of internment as a civilian prisoner of war, provided  
15 that:

16 (1) the member provides proof of employment  
17 with the federal government or as a contractor to the federal  
18 government in a form acceptable to the association;

19 (2) the member provides proof of the period of  
20 internment in a form acceptable to the association;

21 (3) the member has ~~[at least five]~~ the  
22 applicable minimum number of years of service credit ~~[acquired~~  
23 ~~as a result of personal service rendered in the employ of an~~  
24 ~~affiliated public employer]~~ required for normal retirement. As  
25 used in this paragraph, "service credit" means only the service

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1 credit earned by the member during periods of employment with  
2 an affiliated public employer;

3 (4) the aggregate amount of service credit  
4 purchased pursuant to this subsection does not exceed five  
5 years reduced by any period of service credit acquired for  
6 military service pursuant to any other provision of the Public  
7 Employees Retirement Act;

8 (5) service credit may not be purchased for  
9 periods of service in internment as a civilian prisoner of war  
10 if such periods are used to obtain or increase a benefit from  
11 another retirement program; and

12 (6) the member pays the association the  
13 purchase cost determined according to Subsection E of this  
14 section.

15 C. A member who was employed by a utility company,  
16 library, museum, transit company or nonprofit organization  
17 administering federally funded public service programs, which  
18 utility company, library, museum, transit company or nonprofit  
19 organization administering federally funded public service  
20 programs or federally funded public service programs  
21 administered by a nonprofit organization are subsequently taken  
22 over by an affiliated public employer, or a member who was  
23 employed by an entity created pursuant to a joint powers  
24 agreement between two or more affiliated public employers for  
25 the purpose of administering or providing drug or alcohol

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1 addition treatment services irrespective of whether the entity  
2 is subsequently taken over by an affiliated public employer,  
3 may purchase service credit for the period of employment  
4 subject to the following conditions:

5 (1) the member pays the association the  
6 purchase cost determined according to Subsection E of this  
7 section;

8 (2) the member has [~~five or more~~] the  
9 applicable minimum number of years of service credit [~~acquired~~  
10 ~~as a result of personal service rendered in the employ of an~~  
11 ~~affiliated public employer~~] required for normal retirement. As  
12 used in this paragraph, "service credit" means only the service  
13 credit earned by the member during periods of employment with  
14 an affiliated public employer; and

15 (3) the aggregate amount of service credit  
16 purchased pursuant to this subsection does not exceed five  
17 years.

18 D. A member who was appointed to participate in a  
19 cooperative work study training program established jointly by  
20 a state agency and a state post-secondary educational  
21 institution may purchase service credit for the period of  
22 participation subject to the following conditions:

23 (1) the member pays the association the full  
24 actuarial present value of the amount of the increase in the  
25 employee's pension as a consequence of the purchase as

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1 determined by the association;

2 (2) the member pays the full cost of the  
3 purchase within sixty days of the date the member is informed  
4 of the amount of the payment;

5 (3) the member has [~~five or more~~] the  
6 applicable minimum number of years of service credit [acquired  
7 as a result of personal service rendered in the employ of an  
8 affiliated public employer] required for normal retirement. As  
9 used in this paragraph, "service credit" means only the service  
10 credit earned by the member during periods of employment with  
11 an affiliated public employer; and

12 (4) the aggregate amount of service credit  
13 purchased pursuant to this subsection does not exceed five  
14 years.

15 E. Except for service to be used under a state  
16 legislator coverage plan, the purchase cost for each month of  
17 service credit purchased pursuant to the provisions of this  
18 section is equal to the member's final average salary  
19 multiplied by the sum of the member contribution rate and  
20 employer contribution rate, determined in accordance with the  
21 coverage plan applicable to the member at the time of the  
22 written election to purchase. The purchase cost for each year  
23 of service credit to be used under a state legislator coverage  
24 plan is equal to three times the normal member contribution per  
25 year of service credit under the state legislator coverage plan

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1 applicable to the member. Full payment shall be made in a  
2 single lump sum within sixty days of the date the member is  
3 informed of the amount of the payment. The portion of the  
4 purchase cost derived from the employer contribution rate shall  
5 be credited to the employer's accumulation fund and shall not  
6 be paid out of the association in the event of cessation of  
7 membership. In no case shall a member be credited with a month  
8 of service for less than the purchase cost as defined in this  
9 section.

10 F. A member shall be refunded, upon written request  
11 filed with the association, the portion of the purchase cost of  
12 service credit purchased pursuant to this section that the  
13 association determines to have been unnecessary to provide the  
14 member with the maximum pension applicable to the member. The  
15 association shall not pay interest on the portion of the  
16 purchase cost refunded to the member.

17 G. A member of the magistrate retirement system who  
18 during the member's service as a magistrate was eligible to  
19 become a member of the public employees retirement system and  
20 elected not to become a member of that system may purchase  
21 service credit pursuant to the public employees retirement  
22 system for the period for which the magistrate elected not to  
23 become a public employees retirement system member by paying  
24 the amount of the increase in the actuarial present value of  
25 the magistrate pension as a consequence of the purchase as

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1 determined by the association. Full payment shall be made in a  
2 single lump-sum amount in accordance with procedures  
3 established by the retirement board. Except as provided in  
4 Subsection F of this section, seventy-five percent of the  
5 purchase cost shall be considered to be employer contributions  
6 and shall not be refunded to the member in the event of  
7 cessation of membership.

8 H. At any time prior to retirement, any member may  
9 purchase service credit in monthly increments, subject to the  
10 following conditions:

11 (1) the member has [~~at least five~~] the  
12 applicable minimum number of years of service credit [acquired  
13 as a result of personal service rendered in the employ of an  
14 affiliated public employer] required for normal retirement. As  
15 used in this paragraph, "service credit" means only the service  
16 credit earned by the member during periods of employment with  
17 an affiliated public employer;

18 (2) the aggregate amount of service credit  
19 purchased pursuant to this subsection does not exceed one  
20 year;

21 (3) the member pays full actuarial present  
22 value of the amount of the increase in the employee's pension  
23 as a consequence of the purchase as determined by the  
24 association;

25 (4) the member pays the full cost of the

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1 purchase within sixty days of the date the member is informed  
2 of the amount of the payment; and

3 (5) the purchase of service credit under this  
4 subsection cannot be used to determine the final average salary  
5 or the pension factor or be used to exceed the pension maximum.

6 I. A member receiving service credit under this  
7 section who enrolls in the retiree health care authority shall  
8 make contributions pursuant to Subsection C of Section 10-7C-15  
9 NMSA 1978."

10 SECTION 4. Section 10-11-8 NMSA 1978 (being Laws 1987,  
11 Chapter 253, Section 8, as amended) is amended to read:

12 "10-11-8. NORMAL RETIREMENT--RETURN TO EMPLOYMENT--  
13 BENEFITS CONTINUED--[EMPLOYER] CONTRIBUTIONS.---

14 A. A member may retire upon fulfilling the  
15 following requirements prior to the selected date of  
16 retirement:

17 (1) a written application for normal  
18 retirement, in the form prescribed by the association, is filed  
19 with the association;

20 (2) employment is terminated with all  
21 employers covered by any state system or the educational  
22 retirement system;

23 (3) the member selects an effective date of  
24 retirement that is the first day of a calendar month; and

25 (4) the member meets the age and service

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1 credit requirement for normal retirement specified in the  
2 coverage plan applicable to the member.

3 B. The amount of normal retirement pension is  
4 determined in accordance with the coverage plan applicable to  
5 the member.

6 C. Except as provided in Subsection ~~[D]~~ E of this  
7 section, on or after July 1, 2010, a retired member may be  
8 subsequently employed by an affiliated public employer only  
9 pursuant to the following provisions:

10 (1) the retired member has not been employed  
11 as an employee of an affiliated public employer or retained as  
12 an independent contractor by the affiliated public employer  
13 from which the retired member retired for at least twelve  
14 consecutive months from the date of retirement to the  
15 commencement of employment or reemployment with an affiliated  
16 public employer;

17 (2) the previously retired member's pension  
18 shall be suspended upon commencement of the employment;

19 (3) except as provided in Subsection ~~[F]~~ G of  
20 this section, the previously retired member shall not become a  
21 member and thus the previously retired member shall not accrue  
22 ~~[no]~~ service credit and the previously retired member and that  
23 person's affiliated public employer shall not make ~~[no]~~  
24 contributions under any coverage plan pursuant to the Public  
25 Employees Retirement Act; and

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1 (4) upon termination of the subsequent  
2 employment, the previously retired member's pension shall  
3 resume in accordance with the provisions of Subsection A of  
4 this section.

5 D. Notwithstanding the provisions of Subsection B  
6 of Section 10-11-118 NMSA 1978, on and after July 1, 2013, if a  
7 retired member becomes employed with an employer pursuant to  
8 the Educational Retirement Act:

9 (1) the retired member's cost-of-living  
10 pension adjustment shall be suspended upon commencement of the  
11 employment; and

12 (2) upon termination of the employment, the  
13 retired member's suspended cost-of-living pension adjustment  
14 shall be reinstated as provided under Subsection B of Section  
15 10-11-118 NMSA 1978.

16 [~~D~~] E. The provisions of Subsection C of this  
17 section do not apply to:

18 (1) a retired member employed by the  
19 legislature for legislative session work;

20 (2) a retired member employed temporarily as a  
21 precinct board member for a municipal election or an election  
22 covered by the Election Code; or

23 (3) a retired member who is elected to serve a  
24 term as an elected official; provided that:

25 (a) the retired member files an

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1 irrevocable exemption from membership with the association  
2 within thirty days of taking office; and

3 (b) the irrevocable exemption shall be  
4 for the elected official's term of office.

5 [~~E.~~] F. A retired member who returns to employment  
6 during retirement pursuant to Subsection [~~D~~] E of this section  
7 is entitled to receive retirement benefits but is not entitled  
8 to accrue service credit or to acquire or purchase service  
9 credit in the future for the period of the previously retired  
10 member's reemployment with an affiliated public employer.

11 [~~F.~~] G. At any time during a previously retired  
12 member's subsequent employment pursuant to Subsection C of this  
13 section, the previously retired member may elect to become a  
14 member and the following conditions shall apply:

15 (1) the previously retired member and the  
16 subsequent affiliated public employer shall make the required  
17 employee and employer contributions, and the previously retired  
18 member shall accrue service credit for the period of subsequent  
19 employment; and

20 (2) when the previously retired member  
21 terminates the subsequent employment with an affiliated public  
22 employer, the previously retired member shall retire according  
23 to the provisions of the Public Employees Retirement Act,  
24 subject to the following conditions:

25 (a) payment of the pension shall resume

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in accordance with the provisions of Subsection A of this section;

(b) unless the previously retired member accrued at least three years of service credit on account of the subsequent employment, the recalculation of pension shall: 1) employ the form of payment selected by the previously retired member at the time of the first retirement; and 2) use the provisions of the coverage plan applicable to the member on the date of the first retirement; and

(c) the recalculated pension shall not be less than the amount of the suspended pension.

~~[G-]~~ H. A previously retired member who returned to work with an affiliated public employer prior to July 1, 2010 shall be subject to the provisions of this section in effect on the date the previously retired member returned to work; provided that:

(1) on and after July 1, 2010, the previously retired member shall pay the employee contribution in an amount specified in the Public Employees Retirement Act for the position in which the previously retired member is employed;

(2) notwithstanding the provisions of Subsection B of Section 10-11-118 NMSA 1978, on and after July 1, 2013, the previously retired member's cost-of-living pension adjustment shall be suspended; and

(3) upon termination of the employment with an

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1 affiliated public employer, the previously retired member's  
2 cost-of-living pension adjustment shall be reinstated as  
3 provided in Subsection B of Section 10-11-118 NMSA 1978.

4           [~~H.~~] I. The pension of a member who has three or  
5 more years of service credit under each of two or more coverage  
6 plans shall be determined in accordance with the coverage plan  
7 that produces the highest pension. The pension of a member who  
8 has service credit under two or more coverage plans but who has  
9 three or more years of service credit under only one of those  
10 coverage plans shall be determined in accordance with the  
11 coverage plan in which the member has three or more years of  
12 service credit. If the service credit is acquired under two  
13 different coverage plans applied to the same affiliated public  
14 employer as a consequence of an election by the members,  
15 adoption by the affiliated public employer or a change in the  
16 law that results in the application of a coverage plan with a  
17 greater pension, the greater pension shall be paid a member  
18 retiring from the affiliated public employer under which the  
19 change in coverage plan took place regardless of the amount of  
20 service credit under the coverage plan producing the greater  
21 pension; provided that the member has three or more years of  
22 continuous employment with that affiliated public employer  
23 immediately preceding or immediately preceding and immediately  
24 following the date the coverage plan changed. The provisions  
25 of each coverage plan for the purpose of this subsection shall

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1 be those in effect at the time the member ceased to be covered  
2 by the coverage plan. "Service credit", for the purposes of  
3 this subsection, shall be only personal service rendered an  
4 affiliated public employer and credited to the member under the  
5 provisions of Subsection A of Section 10-11-4 NMSA 1978.  
6 Service credited under any other provision of the Public  
7 Employees Retirement Act shall not be used to satisfy the  
8 three-year service credit requirement of this subsection."

9 SECTION 5. Section 10-11-10.1 NMSA 1978 (being Laws 1993,  
10 Chapter 160, Section 3) is amended to read:

11 "10-11-10.1. DISABILITY RETIREMENT.--

12 A. There is created a "disability review committee"  
13 of the retirement board. The disability review committee shall  
14 consist of at least three but not more than five retirement  
15 board members and at least one physician licensed in New Mexico  
16 appointed by the retirement board. The disability review  
17 committee shall review all applications for disability  
18 retirement, review reports required under this section and  
19 approve or deny applications for disability retirement.

20 B. The disability review committee may retire a  
21 member on account of disability before the time the member  
22 would otherwise be eligible for retirement if the following  
23 requirements are satisfied:

24 (1) the member applying for disability  
25 retirement was a member at the time the disability was

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1 incurred;

2 (2) a written application for disability  
3 retirement, in the form and containing the information  
4 prescribed by the association, has been filed with the  
5 association by the member or by the member's affiliated public  
6 employer;

7 (3) employment is terminated within forty-five  
8 days of the date of approval of the application for disability  
9 retirement;

10 (4) if:

11 (a) the member has [~~five or more~~] the  
12 applicable minimum number of years of service credit required  
13 for normal retirement. For the purposes of this subparagraph,  
14 "service credit" means only the service credit earned by the  
15 member during periods of employment with an affiliated public  
16 employer; or

17 (b) the disability review committee  
18 finds the disability to have been the natural and proximate  
19 result of causes arising solely and exclusively out of and in  
20 the course of the member's performance of duty with an  
21 affiliated public employer;

22 (5) the member submits to all medical  
23 examinations and tests and furnishes copies of all medical  
24 reports requested by the association or disability review  
25 committee; provided that if the disability review committee

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1 requires independent medical or other examinations, those  
2 examinations shall be performed at the association's expense;  
3 and

4 (6) the disability review committee makes the  
5 determination required under Subsection C of this section.

6 C. The disability review committee shall review  
7 applications for disability retirement to determine whether:

8 (1) if the member is a currently employed,  
9 contributing employee of an affiliated public employer:

10 (a) the member is mentally or physically  
11 totally incapacitated for continued employment with an  
12 affiliated public employer; and

13 (b) the incapacity is likely to be  
14 permanent; or

15 (2) if the member is not a currently employed,  
16 contributing employee of an affiliated public employer:

17 (a) the member is mentally or physically  
18 totally incapacitated for any gainful employment; and

19 (b) the incapacity is likely to be  
20 permanent.

21 D. The disability retirement pension shall be paid  
22 for a period of one year after approval of the initial  
23 application unless the disability review committee for good  
24 cause shown grants disability retirement for a longer period of  
25 time. After approval, payment shall be effective commencing

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1 the first of the month following submission of the initial  
2 application and termination of employment.

3 E. At the end of the first year that a disability  
4 retirement pension is paid, the disability retired member's  
5 condition shall be reevaluated to determine eligibility for  
6 continuation of payment of a disability retirement pension. If  
7 the disability retired member has applied for disability  
8 benefits under the federal social security program, ~~[he]~~ the  
9 member shall submit copies of ~~[his]~~ the member's application.  
10 The association shall continue payment of the state disability  
11 retirement pension if the disability retired member presents a  
12 written final determination from the federal social security  
13 administration that the disability retired member qualifies,  
14 based on the same ~~[condition or]~~ conditions as presented in the  
15 application for a state disability retirement pension, for  
16 federal disability benefits.

17 F. If the disability retired member applied for  
18 federal disability benefits within thirty days of receiving  
19 approval for a state disability retirement pension but the  
20 federal social security administration has not made a written  
21 final determination of entitlement by the end of the first year  
22 that the disability retired member has received a state  
23 disability retirement pension, eligibility for continued  
24 payment of the state disability retirement pension shall be  
25 determined by the disability review committee. The state

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1 disability retirement pension shall be discontinued if the  
2 disability review committee finds that the disability retired  
3 member is capable of any gainful employment.

4 G. The disability retired member shall notify the  
5 association of the federal social security administration's  
6 final determination within fifteen working days of the date of  
7 issuance of the final written determination. If the federal  
8 social security administration denies federal disability  
9 benefits, the state disability retirement pension shall be  
10 discontinued effective the first of the month following the  
11 month in which the written final determination of the federal  
12 social security administration was issued. If the federal  
13 social security administration grants federal disability  
14 benefits, the state disability retirement pension shall be  
15 continued so long as the disability retired member provides  
16 annually, on or before the anniversary date of commencement of  
17 payment of the state disability retirement pension, written  
18 evidence of continuation of payment of federal disability  
19 benefits. If the disability review committee has denied  
20 continuation of payment of a state disability retirement  
21 pension and the disability retired member is later granted  
22 federal disability benefits, the state disability retirement  
23 pension shall be reinstated effective the first of the month  
24 following the month in which the state disability retirement  
25 pension was discontinued.

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1           H. If, at the time of reevaluation under Subsection  
2 E of this section, the disability retired member has applied  
3 for and has qualified for federal disability benefits, but for  
4 a different condition than was reviewed by the disability  
5 review committee, the disability review committee shall review  
6 the disability retired member's condition as described by the  
7 application for federal disability benefits. The process set  
8 forth in Subsection I of this section shall be followed to  
9 determine whether payment of a state disability retirement  
10 pension should be continued.

11           I. If the disability retired member is not eligible  
12 to apply for federal disability benefits or is not a member of  
13 the federal social security program, the disability review  
14 committee annually shall determine eligibility for continuation  
15 of payment of a state disability retirement pension. To make  
16 its determination of continued entitlement, the disability  
17 review committee shall use the guidelines established by the  
18 federal social security administration for determination of  
19 eligibility for federal disability benefits. The determination  
20 shall be based on:

- 21                   (1) the medical and all other information  
22 provided by the disability retired member;
- 23                   (2) at least one independent medical or other  
24 examination performed at the association's expense if required  
25 by the disability review committee; and

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1 (3) any ~~[and all]~~ medical, vocational or other  
2 information related to the disability compiled during the  
3 period of disability by any medical or other practitioner  
4 consulted by the disability retired member regarding the  
5 disability which was not paid for by the association.

6 J. Each disability retired member annually shall  
7 submit to the association, prior to July 1, a statement of  
8 earnings from gainful employment during the preceding calendar  
9 year. The statement of earnings shall be in the form  
10 prescribed by the association. Payment of the state disability  
11 retirement pension shall be discontinued if the amount of  
12 earnings from gainful employment is one hundred percent or more  
13 of the amount ~~[which]~~ that causes a decrease or suspension of  
14 an old age benefit under the federal social security program,  
15 or fifteen thousand dollars (\$15,000), whichever is less.  
16 Payment of the state disability retirement pension shall be  
17 discontinued starting with the month of July if the statement  
18 of earnings is not received by the association prior to July 1.

19 K. Upon prior approval by the association, a  
20 disability retired member may return to employment with an  
21 affiliated public employer or other employer for a trial period  
22 not to exceed one hundred twenty calendar days without becoming  
23 a member or causing suspension or discontinuation of payment of  
24 a state disability retirement pension. If the trial period of  
25 employment is successfully completed, payment of the disability

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1 retirement pension shall be discontinued beginning the first of  
2 the month following the one hundred twentieth day of the trial  
3 period of employment. Trial periods of employment shall be  
4 limited to two in any five-year period following disability  
5 retirement.

6 L. If the disability retired member meets the  
7 minimum age and service credit requirements for normal  
8 retirement while receiving a disability retirement pension, the  
9 disability retirement pension shall be reclassified by the  
10 association as a normal retirement pension and no further  
11 determinations of eligibility for continuation of payment of  
12 the disability retirement pension shall be made. Upon  
13 reclassification as a normal retirement pension, all the  
14 provisions of [~~this~~] the Public Employees Retirement Act  
15 regarding normal retirement shall be applicable.

16 M. If the disability review committee found the  
17 disability to be the natural and proximate result of causes  
18 arising solely and exclusively out of and in the course of the  
19 member's employment with an affiliated public employer, service  
20 credit shall continue to accrue during the disability  
21 retirement period as though the disability retired member was  
22 actively employed.

23 N. The amount of a disability retirement pension  
24 shall be calculated according to the provisions of the coverage  
25 plan applicable to the member at the time of application,

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1     except that the service credit requirement shall be waived and  
2     the actual amount of service credit shall be used instead. If  
3     the disability is the natural and proximate result of causes  
4     arising solely and exclusively out of and in the course of the  
5     member's performance of duty for an affiliated public employer,  
6     the amount of disability retirement pension shall be calculated  
7     according to the provisions of the coverage plan applicable to  
8     the member, imputing the amount of service credit necessary to  
9     meet the minimum service credit requirements for normal  
10    retirement.

11           O. For the purposes of this section, the following  
12    definitions apply:

13                   (1) "continued employment with the affiliated  
14    public employer" means the ability of the member to fulfill the  
15    required duties of the position in which the member was last  
16    employed by ~~[his]~~ an affiliated public employer;

17                   (2) "gainful employment" means remunerative  
18    employment or self-employment that is commensurate with the  
19    applicant's background, age, education, experience and any new  
20    skills or training the applicant may have acquired after  
21    terminating public employment or incurring the disability;

22                   (3) "state disability retirement pension"  
23    means the pension paid pursuant to the provisions of this  
24    section; and

25                   (4) "federal disability benefits" means those

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1 benefits paid by the federal social security program."

2 SECTION 6. Section 10-11-14.5 NMSA 1978 (being Laws 1993,  
3 Chapter 160, Section 4, as amended) is amended to read:

4 "10-11-14.5. DEATH BEFORE RETIREMENT--SURVIVOR PENSIONS.--

5 A. A survivor pension may be paid to certain  
6 persons related to or designated by a member who dies before  
7 normal or disability retirement if a written application for  
8 the pension, in the form prescribed by the association, is  
9 filed with the association by the potential survivor  
10 beneficiary or beneficiaries within one year of the death of  
11 the member. Applications may be filed on behalf of the  
12 potential survivor beneficiary or beneficiaries or by a person  
13 legally authorized to represent them.

14 B. If there is no designated survivor beneficiary  
15 and the retirement board finds the death to have been the  
16 natural and proximate result of causes arising solely and  
17 exclusively out of and in the course of the member's  
18 performance of duty with an affiliated public employer, a  
19 survivor pension shall be payable to the eligible surviving  
20 spouse. The amount of the survivor pension shall be the  
21 greater of:

22 (1) the amount as calculated under the  
23 coverage plan applicable to the deceased member at the time of  
24 death as though the deceased member had retired the day  
25 preceding death under form of payment B using the actual amount

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1 of service credit attributable to the deceased member at the  
2 time of death; or

3 (2) fifty percent of the deceased member's  
4 final average salary.

5 C. A survivor pension shall also be payable to  
6 eligible surviving children if there is no designated survivor  
7 beneficiary and the retirement board finds the death to have  
8 been the natural and proximate result of causes arising solely  
9 and exclusively out of and in the course of the member's  
10 performance of duty with an affiliated public employer. The  
11 total amount of survivor pension payable for all eligible  
12 surviving children shall be either:

13 (1) fifty percent of the deceased member's  
14 final average salary if an eligible surviving spouse is not  
15 paid a pension; or

16 (2) twenty-five percent of the deceased  
17 member's final average salary if an eligible surviving spouse  
18 is paid a pension.

19 The total amount of survivor pension shall be divided  
20 equally among all eligible surviving children. If there is  
21 only one eligible child, the amount of pension shall be twenty-  
22 five percent of the deceased member's final average salary.

23 D. If the member had [~~five or more~~] the applicable  
24 minimum number of years of service credit required for normal  
25 retirement, but the retirement board did not find the death to

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1 have been the natural and proximate result of causes arising  
2 solely and exclusively out of and in the course of the member's  
3 performance of duty with an affiliated public employer and  
4 there is no designated survivor beneficiary, a survivor pension  
5 shall be payable to the eligible surviving spouse. The amount  
6 of the survivor pension shall be the greater of:

7 (1) the amount as calculated under the  
8 coverage plan applicable to the deceased member at the time of  
9 death as though the deceased member had retired the day  
10 preceding death under form of payment B using the total amount  
11 of actual service credit attributable to the deceased member at  
12 the time of death; or

13 (2) thirty percent of the deceased member's  
14 final average salary.

15 E. If the member had [~~five or more~~] the applicable  
16 minimum number of years of service credit required for normal  
17 retirement, but the retirement board did not find the death to  
18 have been the natural and proximate result of causes arising  
19 solely and exclusively out of and in the course of the member's  
20 performance of duty with an affiliated public employer and  
21 there is no designated survivor beneficiary, and if there is no  
22 eligible surviving spouse at the time of death, a survivor  
23 pension shall be payable to and divided equally among all  
24 eligible surviving children, if any. The total amount of  
25 survivor pension payable for all eligible surviving children

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1 shall be the greater of:

2 (1) the amount as calculated under the  
3 coverage plan applicable to the deceased member at the time of  
4 death as though the deceased member had retired the day  
5 preceding death under form of payment B with the oldest  
6 eligible surviving child as the survivor beneficiary using the  
7 total amount of actual service credit attributable to the  
8 deceased member at the time of death; or

9 (2) thirty percent of the deceased member's  
10 final average salary.

11 F. An eligible surviving spouse is the spouse to  
12 whom the deceased member was married at the time of death. An  
13 eligible surviving child is a child under the age of eighteen  
14 years and who is an unmarried, natural or adopted child of the  
15 deceased member.

16 G. An eligible surviving spouse's pension shall  
17 terminate upon death. An eligible surviving child's pension  
18 shall terminate upon death or marriage or reaching age eighteen  
19 years, whichever comes first.

20 H. If there is no designated survivor beneficiary  
21 and there is no eligible surviving child, the eligible  
22 surviving spouse may elect to be refunded the deceased member's  
23 accumulated member contributions instead of receiving a  
24 survivor pension.

25 I. A member may designate a survivor beneficiary to

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1 receive a pre-retirement survivor pension, subject to the  
2 following conditions:

3 (1) a written designation, in the form  
4 prescribed by the association, is filed by the member with the  
5 association;

6 (2) if the member is married at the time of  
7 designation, the designation shall only be made with the  
8 consent of the member's spouse, in the form prescribed by the  
9 association;

10 (3) if the member is married subsequent to the  
11 time of designation, any prior designations shall automatically  
12 be revoked upon the date of the marriage;

13 (4) if the member is divorced subsequent to  
14 the time of designation, any prior designation of the former  
15 spouse as survivor beneficiary shall automatically be revoked  
16 upon the date of divorce; and

17 (5) a designation of survivor beneficiary may  
18 be changed, with the member's spouse's consent if the member is  
19 married, by the member at any time prior to the member's death.

20 J. If there is a designated survivor beneficiary  
21 and the retirement board finds the death to have been the  
22 natural and proximate result of causes arising solely and  
23 exclusively out of and in the course of the member's  
24 performance of duty with an affiliated public employer, a  
25 survivor pension shall be payable to the designated survivor

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1 beneficiary. The amount of the survivor pension shall be the  
2 greater of:

3 (1) the amount as calculated under the  
4 coverage plan applicable to the deceased member at the time of  
5 death as though the deceased member had retired the day  
6 preceding death under form of payment B using the actual amount  
7 of service credit attributable to the member at the time of  
8 death; or

9 (2) fifty percent of the deceased member's  
10 final average salary.

11 K. If there is a designated survivor beneficiary,  
12 if the member had [~~five or more~~] the applicable minimum number  
13 of years of service credit required for normal retirement and  
14 if the retirement board did not find the death to have been the  
15 natural and proximate result of causes arising solely and  
16 exclusively out of and in the course of the member's  
17 performance of duty with an affiliated public employer, a  
18 survivor pension shall be payable to the designated survivor  
19 beneficiary. The amount of the survivor pension shall be the  
20 greater of:

21 (1) the amount as calculated under the  
22 coverage plan applicable to the deceased member at the time of  
23 death as though the deceased member had retired the day  
24 preceding death under form of payment B using the actual amount  
25 of service credit attributable to the member at the time of

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1 death; or

2 (2) thirty percent of the deceased member's  
3 final average salary.

4 L. If all pension payments permanently terminate  
5 before there is paid an aggregate amount equal to the deceased  
6 member's accumulated member contributions at time of death, the  
7 difference between the amount of accumulated member  
8 contributions and the aggregate amount of pension paid shall be  
9 paid to the deceased member's refund beneficiary. If no refund  
10 beneficiary survives the survivor beneficiary, the difference  
11 shall be paid to the estate of the deceased member.

12 M. For purposes of this section, "service credit"  
13 means only the service credit earned by a member during periods  
14 of employment with an affiliated public employer."

15 SECTION 7. Section 10-11-14.6 NMSA 1978 (being Laws 2009,  
16 Chapter 288, Section 12) is amended to read:

17 "10-11-14.6. CALCULATION OF FINAL AVERAGE SALARY.--Under  
18 [~~each coverage plan of~~] the Public Employees Retirement Act:

19 A. for a member who was a member on June 30, 2010,  
20 the final average salary is one thirty-sixth of the greatest  
21 aggregate amount of salary paid a member for thirty-six  
22 consecutive, but not necessarily continuous, months of service  
23 credit; and

24 B. for a member who was not a member on June 30,  
25 2010, the final average salary is one-sixtieth of the greatest

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1 aggregate amount of salary paid a member for sixty consecutive,  
2 but not necessarily continuous, months of service credit."

3 SECTION 8. Section 10-11-26.1 NMSA 1978 (being Laws 1994,  
4 Chapter 128, Section 2) is amended to read:

5 "10-11-26.1. STATE GENERAL MEMBER COVERAGE PLAN 3--  
6 APPLICABILITY.--State general member coverage plan 3 is  
7 applicable to peace officer members and is applicable to state  
8 general members in the first full pay period after July 1, 1995  
9 if the retirement board certifies to the secretary of state  
10 that a majority of the members voting of those members to be  
11 covered under state general member coverage plan 3 has voted to  
12 approve adoption of this plan at an election conducted pursuant  
13 to Laws 1994, Chapter 128, Section 17 [~~of this act~~]."

14 SECTION 9. Section 10-11-26.2 NMSA 1978 (being Laws 1994,  
15 Chapter 128, Section 3, as amended) is amended to read:

16 "10-11-26.2. STATE GENERAL MEMBER COVERAGE PLAN 3--AGE  
17 AND SERVICE CREDIT REQUIREMENTS FOR NORMAL RETIREMENT.--

18 A. Under state general member coverage plan 3:

19 (1) for a member who [~~is~~] on or before June  
20 30, 2010 was a peace officer and for a member who is not a  
21 peace officer but was a retired member or a member on June 30,  
22 2010, the age and service credit requirements for normal  
23 retirement are:

24 (a) age sixty-five years or older and  
25 five or more years of service credit;

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- 1 (b) age sixty-four years and eight or  
2 more years of service credit;
- 3 (c) age sixty-three years and eleven or  
4 more years of service credit;
- 5 (d) age sixty-two years and fourteen or  
6 more years of service credit;
- 7 (e) age sixty-one years and seventeen or  
8 more years of service credit;
- 9 (f) age sixty years and twenty or more  
10 years of service credit; ~~and~~ or
- 11 (g) any age and twenty-five or more  
12 years of service credit; ~~and~~
- 13 (2) for a member who is not a peace officer  
14 and was not a retired member or a member on June 30, 2010, the  
15 age and service requirements for normal retirement are:
- 16 (a) age ~~[sixty-seven]~~ sixty-five years  
17 or older and ~~[five]~~ eight or more years of service credit; or
- 18 (b) any age if the member has eight or  
19 more years of service credit and the sum of the member's age  
20 and years of service credit equals at least ~~[eighty; or~~
- 21 ~~(c) any age and thirty or more years of~~  
22 ~~service credit]~~ eighty-five; and
- 23 (3) for a member who after June 30, 2010  
24 became a peace officer and who was not a retired member or a  
25 member on June 30, 2010, the age and service requirements for

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1 normal retirement are:

2 (a) age sixty years or older and six or  
3 more years of service credit; or

4 (b) any age if the member has six or  
5 more years of service credit and the sum of the member's age  
6 and years of service credit equals at least seventy-five.

7 B. As used in this section, "peace officer" means  
8 any employee of the state with a duty to maintain public order  
9 or to make arrests for crime, whether that duty extends to all  
10 crimes or is limited to specific crimes, and who is not  
11 specifically covered by another coverage plan."

12 SECTION 10. Section 10-11-26.3 NMSA 1978 (being Laws  
13 1994, Chapter 128, Section 4) is amended to read:

14 "10-11-26.3. STATE GENERAL MEMBER COVERAGE PLAN 3--AMOUNT  
15 OF PENSION--FORM OF PAYMENT A.--Under state general member  
16 coverage plan 3:

17 A. for a member with age and service requirements  
18 provided under Paragraph (1) or (3) of Subsection A of Section  
19 10-11-26.2 NMSA 1978, the amount of pension under form of  
20 payment A is equal to three percent of final average salary  
21 multiplied by service credit. The amount shall not exceed  
22 [eighty] ninety percent of the final average salary; and

23 B. for a member with age and service requirements  
24 provided under Paragraph (2) of Subsection A of Section  
25 10-11-26.2 NMSA 1978, the amount of pension under form of

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1 payment A is equal to two and one-half percent of the final  
2 average salary multiplied by service credit. The amount shall  
3 not exceed ninety percent of the final average salary."

4 SECTION 11. Section 10-11-26.5 NMSA 1978 (being Laws  
5 1994, Chapter 128, Section 6, as amended) is amended to read:

6 "10-11-26.5. STATE GENERAL MEMBER COVERAGE PLAN 3--MEMBER  
7 CONTRIBUTION RATE.--A member under state general member  
8 coverage plan 3 shall contribute [~~seven and forty two~~  
9 hundredths] eight and ninety-two hundredths percent of salary  
10 starting with the first full pay period that ends within the  
11 calendar month in which state general member coverage plan 3  
12 becomes applicable to the member [~~except that for members whose~~  
13 ~~annual salary is greater than twenty thousand dollars~~  
14 ~~(\$20,000):~~

15 A. ~~from July 1, 2009 through June 30, 2011, the~~  
16 ~~member contribution rate shall be eight and ninety-two~~  
17 ~~hundredths percent of salary;~~

18 B. ~~from July 1, 2011 through June 30, 2012, the~~  
19 ~~member contribution rate shall be ten and sixty-seven~~  
20 ~~hundredths percent of salary; and~~

21 G. ~~from July 1, 2012 through June 30, 2013, the~~  
22 ~~member contribution rate shall be eight and ninety-two~~  
23 ~~hundredths percent of salary]."~~

24 SECTION 12. Section 10-11-26.6 NMSA 1978 (being Laws  
25 1994, Chapter 128, Section 7, as amended) is amended to read:

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1 "10-11-26.6. STATE GENERAL MEMBER COVERAGE PLAN 3--STATE  
2 CONTRIBUTION RATE.--The state shall contribute [~~sixteen and~~  
3 ~~fifty-nine hundredths~~] eighteen and nine-hundredths percent of  
4 the salary of each member covered by state general member  
5 coverage plan 3 starting with the first pay period that ends  
6 within the calendar month in which state general member  
7 coverage plan 3 becomes applicable to the member, except that:  
8 [~~for members whose annual salary is greater than twenty~~  
9 ~~thousand dollars (\$20,000):~~

10 A. ~~from July 1, 2009 through June 30, 2011, the~~  
11 ~~state contribution rate shall be fifteen and nine-hundredths~~  
12 ~~percent of the salary of each member;~~

13 B. ~~from July 1, 2011 through June 30, 2012, the~~  
14 ~~state contribution rate shall be thirteen and thirty-four~~  
15 ~~hundredths percent of the salary of each member; and~~

16 G.] A. from July 1, [2012] 2013 through June 30,  
17 [2013] 2014, the state contribution rate shall be [~~fifteen and~~  
18 ~~nine-hundredths~~] sixteen and fifty-nine hundredths percent of  
19 the salary of each member;

20 B. from July 1, 2014 through June 30, 2015, the  
21 state contribution rate shall be seventeen and nine-hundredths  
22 percent of the salary of each member; and

23 C. from July 1, 2015 through June 30, 2016, the  
24 state contribution rate shall be seventeen and fifty-nine  
25 hundredths percent of the salary of each member."

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1           SECTION 13. Section 10-11-27 NMSA 1978 (being Laws 1987,  
2 Chapter 253, Section 27, as amended by Laws 2003, Chapter 268,  
3 Section 9 and by Laws 2003, Chapter 269, Section 1) is amended  
4 to read:

5           "10-11-27. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
6 OFFICER MEMBER COVERAGE PLAN 1--APPLICABILITY--CREDITED  
7 SERVICE.--

8           A. State police member and adult correctional  
9 officer member coverage plan 1 is applicable to state police  
10 members who are not specifically covered by another coverage  
11 plan and to adult correctional officer members.

12           B. The credited service of a state police member  
13 who was a retired member or a member on June 30, 2010 and who  
14 has held the permanent rank of patrolman, sergeant, lieutenant  
15 or captain and does not hold an exempt rank or who is assigned  
16 to the aircraft division as a pilot, or of an adult  
17 correctional officer member, shall have actual credited service  
18 increased by twenty percent for the purposes of state police  
19 member and adult correctional officer member coverage plan 1.

20           C. Except as provided in Subsection B of this  
21 section, the credited service of a member covered under state  
22 police member and adult correctional officer member coverage  
23 plan 1 shall be credited as provided in Section 10-11-4 NMSA  
24 1978.

25           [~~B.~~] D. State police member and adult correctional

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1 officer member coverage plan 1 is applicable to adult  
2 correctional officer members in the first full pay period after  
3 July 1, 2004 if the retirement board certifies to the secretary  
4 of state that, of those adult correctional officer members to  
5 be covered under state police member and adult correctional  
6 officer member coverage plan 1, a majority of the members  
7 voting have voted to approve adoption of that plan at an  
8 election conducted pursuant to [~~Section 16 of this 2003 act~~]  
9 Laws 2003, Chapter 268, Section 16."

10 SECTION 14. Section 10-11-27.2 NMSA 1978 (being Laws  
11 2003, Chapter 269, Section 2) is amended to read:

12 "10-11-27.2. LEGISLATIVE FINDINGS.--The legislature finds  
13 that:

14 A. it is appropriate to recognize the  
15 professionalism and dedication of state police officers, who  
16 provide an essential service to the citizens of New Mexico;

17 B. it is appropriate to recognize the hazardous  
18 nature of the work performed by state police officers;

19 C. the spirit of what it takes to be a state police  
20 officer is personified by Sergeant Brent H. Bateman, who served  
21 with honor as a state police officer for twenty-two years.  
22 Sergeant Bateman became ill days after his retirement and  
23 passed away a short six months following retirement; and

24 D. the twenty percent credit [~~towards~~] toward  
25 actual service, as provided in Subsection B of Section 10-11-27  
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underscored material = new  
~~[bracketed material] = delete~~

1 NMSA 1978 under state police member coverage plan 1, is  
2 dedicated to Sergeant Brent H. Bateman and all other officers  
3 who have served, and who do serve, as New Mexico state police  
4 officers."

5 SECTION 15. Section 10-11-28 NMSA 1978 (being Laws 1987,  
6 Chapter 253, Section 28, as amended) is amended to read:

7 "10-11-28. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
8 OFFICER MEMBER COVERAGE PLAN 1--AGE AND SERVICE REQUIREMENTS  
9 FOR NORMAL RETIREMENT.--Under state police member and adult  
10 correctional officer member coverage plan 1:

11 A. for a member who was a retired member or a  
12 member on June 30, 2010, the age and service requirements for  
13 normal retirement are:

14 [~~A.~~] (1) age sixty-five years or older and  
15 five or more years of credited service;

16 [~~B.~~] (2) age sixty-four years and eight or  
17 more years of credited service;

18 [~~C.~~] (3) age sixty-three years and eleven or  
19 more years of credited service;

20 [~~D.~~] (4) age sixty-two years and fourteen or  
21 more years of credited service;

22 [~~E.~~] (5) age sixty-one years and seventeen or  
23 more years of credited service;

24 [~~F.~~] (6) age sixty years and twenty or more  
25 years of credited service; or

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1                   [6-] (7) any age and twenty-five or more years  
2 of credited service; and

3                   B. for a member who was not a retired member or a  
4 member on June 30, 2010, the age and service requirements for  
5 normal retirement are:

6                   (1) age sixty years or older and six or more  
7 years of service credit; or

8                   (2) any age if the member has six or more  
9 years of service credit and the sum of the member's age and  
10 years of service credit equals at least seventy-five."

11                   SECTION 16. Section 10-11-29 NMSA 1978 (being Laws 1987,  
12 Chapter 253, Section 29, as amended) is amended to read:

13                   "10-11-29. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
14 OFFICER MEMBER COVERAGE PLAN 1--AMOUNT OF PENSION--FORM OF  
15 PAYMENT A.--Under state police member and adult correctional  
16 officer member coverage plan 1, the amount of pension under  
17 form of payment A is equal to three percent of final average  
18 salary multiplied by credited service. The amount shall not  
19 exceed ~~[eighty]~~ ninety percent of the final average salary."

20                   SECTION 17. Section 10-11-31 NMSA 1978 (being Laws 1987,  
21 Chapter 253, Section 31, as amended) is amended to read:

22                   "10-11-31. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
23 OFFICER MEMBER COVERAGE PLAN 1--MEMBER CONTRIBUTION RATE.--A  
24 member under state police member and adult correctional officer  
25 member coverage plan 1 shall contribute ~~[seven and six tenths]~~

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1 ~~nine and one-tenth~~ percent of salary [~~except that for members~~  
2 ~~whose annual salary is greater than twenty thousand dollars~~  
3 ~~(\$20,000):~~

4 ~~A. from July 1, 2009 through June 30, 2011, the~~  
5 ~~member contribution rate shall be nine and one-tenth percent of~~  
6 ~~salary;~~

7 ~~B. from July 1, 2011 through June 30, 2012, the~~  
8 ~~member contribution rate shall be ten and eighty-five~~  
9 ~~hundredths percent of salary; and~~

10 ~~C. from July 1, 2012 through June 30, 2013, the~~  
11 ~~member contribution rate shall be nine and one-tenth percent of~~  
12 ~~salary]."~~

13 SECTION 18. Section 10-11-32 NMSA 1978 (being Laws 1987,  
14 Chapter 253, Section 32, as amended) is amended to read:

15 "10-11-32. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
16 OFFICER MEMBER COVERAGE PLAN 1--STATE CONTRIBUTION RATE.--The  
17 state shall contribute [~~twenty-five and one-tenth~~] twenty-six  
18 and six-tenths percent of the salary of each member under state  
19 police member and adult correctional officer member coverage  
20 plan 1, except that: [~~for members whose annual salary is~~  
21 ~~greater than twenty thousand dollars (\$20,000):~~

22 ~~A. from July 1, 2009 through June 30, 2011, the~~  
23 ~~state contribution rate shall be twenty-three and six-tenths~~  
24 ~~percent of the salary of each member;~~

25 ~~B. from July 1, 2011 through June 30, 2012, the~~

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underscored material = new  
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1 ~~state contribution rate shall be twenty-one and eighty-five~~  
2 ~~hundredths percent of the salary of each member; and~~  
3 ~~G.]~~ A. from July 1, ~~[2012]~~ 2013 through June 30,  
4 ~~[2013]~~ 2014, the state contribution rate shall be ~~[twenty-three~~  
5 ~~and six-tenths]~~ twenty-five and one-tenth percent of the salary  
6 of each member:  
7 B. from July 1, 2014 through June 30, 2015, the  
8 state contribution rate shall be twenty-five and six-tenths  
9 percent of the salary of each member; and  
10 C. from July 1, 2015 through June 30, 2016, the  
11 state contribution rate shall be twenty-six and one-tenth  
12 percent of the salary of each member."

13 SECTION 19. Section 10-11-33 NMSA 1978 (being Laws 1987,  
14 Chapter 253, Section 33) is amended to read:

15 "10-11-33. ~~[STATE HAZARDOUS DUTY]~~ JUVENILE CORRECTIONAL  
16 OFFICER MEMBER COVERAGE PLAN 1--APPLICABILITY.--~~[State~~  
17 ~~hazardous duty]~~ Juvenile correctional officer member coverage  
18 plan 1 is applicable to ~~[state hazardous duty]~~ juvenile  
19 correctional officer members who are not specifically covered  
20 by another coverage plan."

21 SECTION 20. Section 10-11-34 NMSA 1978 (being Laws 1987,  
22 Chapter 253, Section 34) is amended to read:

23 "10-11-34. ~~[STATE HAZARDOUS DUTY]~~ JUVENILE CORRECTIONAL  
24 OFFICER MEMBER COVERAGE PLAN 1--AGE AND SERVICE REQUIREMENTS  
25 FOR NORMAL RETIREMENT.--Under ~~[state hazardous duty]~~ juvenile  
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- 1 correctional officer member coverage plan 1, the age and
- 2 service requirements for normal retirement are:
- 3       A. age sixty-five years or older and five or more
- 4 years of credited service;
- 5       B. age sixty-four years and eight or more years of
- 6 credited service;
- 7       C. age sixty-three years and eleven or more years
- 8 of credited service;
- 9       D. age sixty-two years and fourteen or more years
- 10 of credited service;
- 11       E. age sixty-one years and seventeen or more years
- 12 of credited service;
- 13       F. age sixty years and twenty or more years of
- 14 credited service; or
- 15       G. any age and twenty-five or more years of
- 16 credited service."

17       SECTION 21. Section 10-11-35 NMSA 1978 (being Laws 1987,  
18 Chapter 253, Section 35) is amended to read:

19       "10-11-35. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
20 OFFICER MEMBER COVERAGE PLAN 1--AMOUNT OF PENSION--FORM OF  
21 PAYMENT A.--Under [~~state hazardous duty~~] juvenile correctional  
22 officer member coverage plan 1, the amount of pension under  
23 form of payment A is equal to two and one-half percent of final  
24 average salary multiplied by credited service. The amount  
25 shall not exceed one hundred percent of the final average

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1 salary."

2 SECTION 22. Section 10-11-37 NMSA 1978 (being Laws 1987,  
3 Chapter 253, Section 37) is amended to read:

4 "10-11-37. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
5 OFFICER MEMBER COVERAGE PLAN 1--MEMBER CONTRIBUTION RATE.--A  
6 member under [~~state hazardous duty~~] juvenile correctional  
7 officer member coverage plan 1 shall contribute four percent of  
8 salary."

9 SECTION 23. Section 10-11-38 NMSA 1978 (being Laws 1987,  
10 Chapter 253, Section 38) is amended to read:

11 "10-11-38. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
12 OFFICER MEMBER COVERAGE PLAN 1--STATE CONTRIBUTION RATE.--The  
13 state shall contribute twenty-one and five-tenths percent of  
14 the salary of each member under [~~state hazardous duty~~] juvenile  
15 correctional officer member coverage plan 1."

16 SECTION 24. Section 10-11-38.1 NMSA 1978 (being Laws  
17 1994, Chapter 128, Section 9) is amended to read:

18 "10-11-38.1. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
19 OFFICER MEMBER COVERAGE PLAN 2--APPLICABILITY.--[State  
20 hazardous duty] Juvenile correctional officer member coverage  
21 plan 2 is applicable to [~~state hazardous duty~~] juvenile  
22 correctional officer members in the first full pay period after  
23 July 1, 1995 if the retirement board certifies to the secretary  
24 of state that a majority of the members voting of those members  
25 to be covered under [~~state hazardous duty~~] juvenile

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1 correctional officer member coverage plan 2 has voted to  
2 approve adoption of this plan at an election conducted pursuant  
3 to Laws 1994, Chapter 128, Section 17 [~~of this act~~]."

4 SECTION 25. Section 10-11-38.2 NMSA 1978 (being Laws  
5 1994, Chapter 128, Section 10) is amended to read:

6 "10-11-38.2. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
7 OFFICER MEMBER COVERAGE PLAN 2--AGE AND SERVICE CREDIT  
8 REQUIREMENTS FOR NORMAL RETIREMENT.--Under [~~state hazardous~~  
9 ~~duty~~] juvenile correctional officer member coverage plan 2:

10 A. for a member who was a retired member or a  
11 member on June 30, 2010, the age and service credit  
12 requirements for normal retirement are:

13 [~~A-~~] (1) age sixty-five years or older and  
14 five or more years of service credit;

15 [~~B-~~] (2) age sixty-four years and eight or  
16 more years of service credit;

17 [~~C-~~] (3) age sixty-three years and eleven or  
18 more years of service credit;

19 [~~D-~~] (4) age sixty-two years and fourteen or  
20 more years of service credit;

21 [~~E-~~] (5) age sixty-one years and seventeen or  
22 more years of service credit;

23 [~~F-~~] (6) age sixty years and twenty or more  
24 years of service credit; and

25 [~~G-~~] (7) any age and twenty-five or more years

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1 of service credit; and

2 B. for a member who was not a retired member or a  
3 member on June 30, 2010, the age and service requirements for  
4 normal retirement are:

5 (1) age sixty years or older and six or more  
6 years of service credit; or

7 (2) any age if the member has six or more  
8 years of service credit and the sum of the member's age and  
9 years of service credit equals at least seventy-five."

10 SECTION 26. Section 10-11-38.3 NMSA 1978 (being Laws  
11 1994, Chapter 128, Section 11) is amended to read:

12 "10-11-38.3. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
13 OFFICER MEMBER COVERAGE PLAN 2--AMOUNT OF PENSION--FORM OF  
14 PAYMENT A.--Under [~~state hazardous duty~~] juvenile correctional  
15 officer member coverage plan 2, the amount of pension under  
16 form of payment A is equal to three percent of final average  
17 salary multiplied by service credit. The amount shall not  
18 exceed [~~one hundred~~] ninety percent of the final average  
19 salary."

20 SECTION 27. Section 10-11-38.5 NMSA 1978 (being Laws  
21 1994, Chapter 128, Section 13, as amended) is amended to read:

22 "10-11-38.5. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
23 OFFICER MEMBER COVERAGE PLAN 2--MEMBER CONTRIBUTION RATE.--A  
24 member under [~~state hazardous duty~~] juvenile correctional  
25 officer member coverage plan 2 shall contribute [~~four and~~

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1 ~~seventy-eight hundredths]~~ six and twenty-eight hundredths  
2 percent of salary starting with the first full pay period that  
3 ends within the calendar month in which [~~state hazardous duty~~]  
4 juvenile correctional officer member coverage plan 2 becomes  
5 applicable to the member [~~except that for members whose annual~~  
6 ~~salary is greater than twenty thousand dollars (\$20,000):~~

7       A. ~~from July 1, 2009 through June 30, 2011, the~~  
8 ~~member contribution rate shall be six and twenty-eight~~  
9 ~~hundredths percent of salary;~~

10       B. ~~from July 1, 2011 through June 30, 2012, the~~  
11 ~~member contribution rate shall be eight and three hundredths~~  
12 ~~percent of salary; and~~

13       C. ~~from July 1, 2012 through June 30, 2013, the~~  
14 ~~member contribution rate shall be six and twenty-eight~~  
15 ~~hundredths percent of salary]."~~

16       SECTION 28. Section 10-11-38.6 NMSA 1978 (being Laws  
17 1994, Chapter 128, Section 14, as amended) is amended to read:

18       "10-11-38.6. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
19 OFFICER MEMBER COVERAGE PLAN 2--STATE CONTRIBUTION RATE.--The  
20 state shall contribute [~~twenty-five and seventy-two hundredths~~]  
21 twenty-seven and twenty-two hundredths percent of the salary of  
22 each member covered by [~~state hazardous duty~~] juvenile  
23 correctional officer member coverage plan 2 starting with the  
24 first pay period that ends within the calendar month in which  
25 [~~state hazardous duty~~] juvenile correctional officer member

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underscored material = new  
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1 coverage plan 2 becomes applicable to the member, except that:  
2 [~~for members whose annual salary is greater than twenty~~  
3 ~~thousand dollars (\$20,000):~~

4 ~~A. from July 1, 2009 through June 30, 2011, the~~  
5 ~~state contribution rate shall be twenty-four and twenty-two~~  
6 ~~hundredths percent of the salary of each member;~~

7 ~~B. from July 1, 2011 through June 30, 2012, the~~  
8 ~~state contribution rate shall be twenty-two and forty-seven~~  
9 ~~hundredths percent of the salary of each member; and~~

10 ~~G.]~~ A. from July 1, [2012] 2013 through June 30,  
11 [2013] 2014, the state contribution rate shall be [twenty-four  
12 and twenty-two] twenty-five and seventy-two hundredths percent  
13 of the salary of each member;

14 B. from July 1, 2014 through June 30, 2015, the  
15 state contribution rate shall be twenty-six and twenty-two  
16 hundredths percent of the salary of each member; and

17 C. from July 1, 2015 through June 30, 2016, the  
18 state contribution rate shall be twenty-six and seventy-two  
19 hundredths percent of the salary of each member."

20 SECTION 29. Section 10-11-38.7 NMSA 1978 (being Laws  
21 1994, Chapter 128, Section 15) is amended to read:

22 "10-11-38.7. SERVICE CREDIT UNDER THIS PLAN REQUIRED.--  
23 Notwithstanding the provisions of Section [~~10 of this act]~~  
24 10-11-38.2 NMSA 1978, to qualify for payment under [~~state~~  
25 ~~hazardous duty]~~ juvenile correctional officer member coverage

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1 plan 2, a member shall have one and one-half years of service  
2 credit earned under the [~~state hazardous duty~~] juvenile  
3 correctional officer member coverage plan 2 subsequent to July  
4 1, 1995."

5 SECTION 30. Section 10-11-45 NMSA 1978 (being Laws 1987,  
6 Chapter 253, Section 45, as amended) is amended to read:

7 "10-11-45. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--AGE  
8 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
9 municipal general member coverage plan 1:

10 A. for a member who was a retired member or a  
11 member on June 30, 2010, the age and service requirements for  
12 normal retirement are:

13 (1) age sixty-five years or older and five or  
14 more years of service credit;

15 (2) age sixty-four years and eight or more  
16 years of service credit;

17 (3) age sixty-three years and eleven or more  
18 years of service credit;

19 (4) age sixty-two years and fourteen or more  
20 years of service credit;

21 (5) age sixty-one years and seventeen or more  
22 years of service credit;

23 (6) age sixty years and twenty or more years  
24 of service credit; or

25 (7) any age and twenty-five or more years of

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1 service credit; and

2 B. for a member who was not a retired member or a  
3 member on June 30, 2010, the age and service requirements for  
4 normal retirement are:

5 (1) age [~~sixty-seven~~] sixty-five years or  
6 older and [~~five~~] eight or more years of service credit; or

7 (2) any age if the member has eight or more  
8 years of service credit and the sum of the member's age and  
9 years of service credit equals at least [~~eighty; or~~

10 ~~(3) any age and thirty or more years of~~  
11 ~~service credit] eighty-five."~~

12 SECTION 31. Section 10-11-46 NMSA 1978 (being Laws 1987,  
13 Chapter 253, Section 46) is amended to read:

14 "10-11-46. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--  
15 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general  
16 member coverage plan 1, the amount of pension under form of  
17 payment A is equal to two percent of the final average salary  
18 multiplied by credited service. The amount shall not exceed  
19 [~~sixty~~] ninety percent of the final average salary."

20 SECTION 32. Section 10-11-48 NMSA 1978 (being Laws 1987,  
21 Chapter 253, Section 48) is amended to read:

22 "10-11-48. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--  
23 MEMBER CONTRIBUTION RATE.--A member under municipal general  
24 member coverage plan 1 shall contribute [~~seven~~] eight and one-  
25 half percent of salary."

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underscored material = new  
[bracketed material] = delete

1           SECTION 33. Section 10-11-49 NMSA 1978 (being Laws 1987,  
2 Chapter 253, Section 49) is amended to read:

3           "10-11-49. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--  
4 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
5 public employer shall contribute [~~seven~~] eight and one-half  
6 percent of the salary of each member [~~which~~] it employs and who  
7 is covered under municipal general member coverage plan 1,  
8 except that:

9           A. from July 1, 2013 through June 30, 2014, the  
10 affiliated public employer contribution rate shall be seven  
11 percent of the salary of each member;

12           B. from July 1, 2014 through June 30, 2015, the  
13 affiliated public employer contribution rate shall be seven and  
14 one-half percent of the salary of each member; and

15           C. from July 1, 2015 through June 30, 2016, the  
16 affiliated public employer contribution rate shall be eight  
17 percent of the salary of each member."

18           SECTION 34. Section 10-11-51 NMSA 1978 (being Laws 1987,  
19 Chapter 253, Section 51, as amended) is amended to read:

20           "10-11-51. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--AGE  
21 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
22 municipal general member coverage plan 2:

23           A. for a member who was a retired member or a  
24 member on June 30, 2010, the age and service requirements for  
25 normal retirement are:

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underscored material = new  
[bracketed material] = delete

1 (1) age sixty-five years or older and five or  
2 more years of service credit;

3 (2) age sixty-four years and eight or more  
4 years of service credit;

5 (3) age sixty-three years and eleven or more  
6 years of service credit;

7 (4) age sixty-two years and fourteen or more  
8 years of service credit;

9 (5) age sixty-one years and seventeen or more  
10 years of service credit;

11 (6) age sixty years and twenty or more years  
12 of service credit; or

13 (7) any age and twenty-five or more years of  
14 service credit; and

15 B. for a member who was not a retired member or a  
16 member on June 30, 2010, the age and service requirements for  
17 normal retirement are:

18 (1) age [~~sixty-seven~~] sixty-five years or  
19 older and [~~five~~] eight or more years of service credit; or

20 (2) any age if the member has eight or more  
21 years of service credit and the sum of the member's age and  
22 years of service credit equals at least [~~eighty; or~~

23 ~~(3) any age and thirty or more years of~~  
24 ~~service credit] eighty-five."~~

25 SECTION 35. Section 10-11-52 NMSA 1978 (being Laws 1987,

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underscored material = new  
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1 Chapter 253, Section 52) is amended to read:

2 "10-11-52. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--  
3 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general  
4 member coverage plan 2:

5 A. for a member with age and service requirements  
6 provided in Subsection A of Section 10-11-51 NMSA 1978, the  
7 amount of pension under form of payment A is equal to two and  
8 one-half percent of the final average salary multiplied by  
9 credited service. The amount shall not exceed [~~seventy-five~~]  
10 ninety percent of the final average salary; and

11 B. for a member with age and service requirements  
12 provided in Subsection B of Section 10-11-51 NMSA 1978, the  
13 amount of pension under form of payment A is equal to two  
14 percent of the final average salary multiplied by service  
15 credit. The amount shall not exceed ninety percent of the  
16 final average salary."

17 SECTION 36. Section 10-11-54 NMSA 1978 (being Laws 1987,  
18 Chapter 253, Section 54) is amended to read:

19 "10-11-54. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--  
20 MEMBER CONTRIBUTION RATE.--A member under municipal general  
21 member coverage plan 2 shall contribute [~~nine and fifteen one-~~  
22 ~~hundredths~~] ten and sixty-five hundredths percent of salary  
23 starting with the first full pay period in the calendar month  
24 in which coverage plan 2 becomes applicable to the member."

25 SECTION 37. Section 10-11-55 NMSA 1978 (being Laws 1987,

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1 Chapter 253, Section 55) is amended to read:

2 "10-11-55. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--  
3 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
4 public employer shall contribute [~~nine and fifteen one-~~  
5 ~~hundredths~~] ten and sixty-five hundredths percent of the salary  
6 of each member [~~which~~] it employs and who is covered under  
7 municipal general member coverage plan 2, except that:

8 A. from July 1, 2013 through June 30, 2014, the  
9 affiliated public employer contribution rate shall be nine and  
10 fifteen-hundredths percent of the salary of each member;

11 B. from July 1, 2014 through June 30, 2015, the  
12 affiliated public employer contribution rate shall be nine and  
13 sixty-five hundredths percent of the salary of each member; and

14 C. from July 1, 2015 through June 30, 2016, the  
15 affiliated public employer contribution rate shall be ten and  
16 fifteen-hundredths percent of the salary of each member."

17 SECTION 38. Section 10-11-55.2 NMSA 1978 (being Laws  
18 1993, Chapter 58, Section 2, as amended) is amended to read:

19 "10-11-55.2. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
20 AGE AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
21 municipal general member coverage plan 3:

22 A. for a member who was a retired member or a  
23 member on June 30, 2010, the age and service requirements for  
24 normal retirement are:

25 (1) age sixty-five years or older and five or

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- 1 more years of service credit;
- 2           (2) age sixty-four years and eight or more
- 3 years of service credit;
- 4           (3) age sixty-three years and eleven or more
- 5 years of service credit;
- 6           (4) age sixty-two years and fourteen or more
- 7 years of service credit;
- 8           (5) age sixty-one years and seventeen or more
- 9 years of service credit;
- 10           (6) age sixty years and twenty or more years
- 11 of service credit; or
- 12           (7) any age and twenty-five or more years of
- 13 service credit; and

14           B. for a member who was not a retired member or a

15 member on June 30, 2010, the age and service requirements for

16 normal retirement are:

- 17           (1) age ~~[sixty-seven]~~ sixty-five years or
- 18 older and ~~[five]~~ eight or more years of service credit; or
- 19           (2) any age if the member has eight or more
- 20 years of service credit and the sum of the member's age and
- 21 years of service credit equals at least ~~[eighty; or~~
- 22 ~~(3) any age and thirty or more years of~~
- 23 ~~service credit] eighty-five."~~

24           SECTION 39. Section 10-11-55.3 NMSA 1978 (being Laws

25 1993, Chapter 58, Section 3) is amended to read:

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1 "10-11-55.3. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
2 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general  
3 member coverage plan 3:

4 A. for a member with age and service requirements  
5 provided under Subsection A of Section 10-11-55.2 NMSA 1978,  
6 the amount of pension under form of payment A is equal to three  
7 percent of the final average salary multiplied by credited  
8 service. The amount shall not exceed ~~[eighty]~~ ninety percent  
9 of the final average salary; and

10 B. for a member with age and service requirements  
11 provided under Subsection B of Section 10-11-55.2 NMSA 1978,  
12 the amount of pension under form of payment A is equal to two  
13 and one-half percent of the final average salary multiplied by  
14 credited service. The amount shall not exceed ninety percent  
15 of the final average salary."

16 SECTION 40. Section 10-11-55.5 NMSA 1978 (being Laws  
17 1993, Chapter 58, Section 5) is amended to read:

18 "10-11-55.5. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
19 MEMBER CONTRIBUTION RATE.--A member under municipal general  
20 member coverage plan 3 shall contribute ~~[thirteen and fifteen~~  
21 ~~one-hundredths]~~ fourteen and sixty-five hundredths percent of  
22 salary starting with the first full pay period in the calendar  
23 month in which coverage plan 3 becomes applicable to the  
24 member."

25 SECTION 41. Section 10-11-55.6 NMSA 1978 (being Laws  
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underscored material = new  
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1 1993, Chapter 58, Section 6) is amended to read:

2 "10-11-55.6. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
3 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
4 public employer shall contribute [~~nine and fifteen one-~~  
5 ~~hundredths~~] ten and sixty-five hundredths percent of the salary  
6 of each member it employs and who is covered under municipal  
7 general member coverage plan 3, except that:

8 A. from July 1, 2013 through June 30, 2014, the  
9 affiliated public employer contribution rate shall be nine and  
10 fifteen-hundredths percent of the salary of each member;

11 B. from July 1, 2014 through June 30, 2015, the  
12 affiliated public employer contribution rate shall be nine and  
13 sixty-five hundredths percent of the salary of each member; and

14 C. from July 1, 2015 through June 30, 2016, the  
15 affiliated public employer contribution rate shall be ten and  
16 fifteen-hundredths percent of the salary of each member."

17 SECTION 42. Section 10-11-55.8 NMSA 1978 (being Laws  
18 1998, Chapter 106, Section 2, as amended) is amended to read:

19 "10-11-55.8. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
20 AGE AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
21 municipal general member coverage plan 4:

22 A. for a member who was a retired member or a  
23 member on June 30, 2010, the age and service requirements for  
24 normal retirement are:

25 (1) age sixty-five years or older and five or

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1 more years of service credit;

2 (2) age sixty-four years and eight or more  
3 years of service credit;

4 (3) age sixty-three years and eleven or more  
5 years of service credit;

6 (4) age sixty-two years and fourteen or more  
7 years of service credit;

8 (5) age sixty-one years and seventeen or more  
9 years of service credit;

10 (6) age sixty years and twenty or more years  
11 of service credit; or

12 (7) any age and twenty-five or more years of  
13 service credit; and

14 B. for a member who was not a retired member or a  
15 member on June 30, 2010, the age and service requirements for  
16 normal retirement are:

17 (1) age [~~sixty-seven~~] sixty-five years or  
18 older and [~~five~~] eight or more years of service credit; or

19 (2) any age if the member has eight or more  
20 years of service credit and the sum of the member's age and  
21 years of service credit equals at least [~~eighty; or~~

22 ~~(3) any age and thirty or more years of~~  
23 ~~service credit] eighty-five."~~

24 SECTION 43. Section 10-11-55.9 NMSA 1978 (being Laws  
25 1998, Chapter 106, Section 3) is amended to read:

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1 "10-11-55.9. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
2 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general  
3 member coverage plan 4:

4 A. for a member with age and service requirements  
5 provided under Subsection A of Section 10-11-55.8 NMSA 1978,  
6 the amount of pension under form of payment A is equal to three  
7 percent of the final average salary multiplied by credited  
8 service. The amount shall not exceed ~~[eighty]~~ ninety percent  
9 of the final average salary; and

10 B. for a member with age and service requirements  
11 provided under Subsection B of Section 10-11-55.8 NMSA 1978,  
12 the amount of pension under form of payment A is equal to two  
13 and one-half percent of the final average salary multiplied by  
14 credited service. The amount shall not exceed ninety percent  
15 of the final average salary."

16 SECTION 44. Section 10-11-55.11 NMSA 1978 (being Laws  
17 1998, Chapter 106, Section 5) is amended to read:

18 "10-11-55.11. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
19 MEMBER CONTRIBUTION RATE.--A member under municipal general  
20 member coverage plan 4 shall contribute ~~[fifteen and sixty-five~~  
21 ~~hundredths]~~ seventeen and fifteen-hundredths percent of salary  
22 starting with the first full pay period in the calendar month  
23 in which coverage plan 4 becomes applicable to the member."

24 SECTION 45. Section 10-11-55.12 NMSA 1978 (being Laws  
25 1998, Chapter 106, Section 6) is amended to read:

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underscored material = new  
[bracketed material] = delete

1 "10-11-55.12. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
2 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
3 public employer shall contribute [~~eleven and sixty-five~~  
4 ~~hundredths~~] thirteen and fifteen-hundredths percent of the  
5 salary of each member it employs and who is covered under  
6 municipal general member coverage plan 4, except that:

7 A. from July 1, 2013 through June 30, 2014, the  
8 affiliated public employer contribution rate shall be eleven  
9 and sixty-five hundredths percent of the salary of each member;

10 B. from July 1, 2014 through June 30, 2015, the  
11 affiliated public employer contribution rate shall be twelve  
12 and fifteen-hundredths percent of the salary of each member;  
13 and

14 C. from July 1, 2015 through June 30, 2016, the  
15 affiliated public employer contribution rate shall be twelve  
16 and sixty-five hundredths percent of the salary of each  
17 member."

18 SECTION 46. Section 10-11-57 NMSA 1978 (being Laws 1987,  
19 Chapter 253, Section 57) is amended to read:

20 "10-11-57. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--AGE  
21 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
22 municipal police member coverage plan 1:

23 A. for a member who was a retired member or a  
24 member on June 30, 2010, the age and service requirements for  
25 normal retirement are:

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1                   ~~[A.]~~ (1) age sixty-five years or older and  
2 five or more years of credited service;

3                   ~~[B.]~~ (2) age sixty-four years and eight or  
4 more years of credited service;

5                   ~~[C.]~~ (3) age sixty-three years and eleven or  
6 more years of credited service;

7                   ~~[D.]~~ (4) age sixty-two years and fourteen or  
8 more years of credited service;

9                   ~~[E.]~~ (5) age sixty-one years and seventeen or  
10 more years of credited service;

11                   ~~[F.]~~ (6) age sixty years and twenty or more  
12 years of credited service; or

13                   ~~[G.]~~ (7) any age and twenty-five or more years  
14 of credited service; and

15                   B. for a member who was not a retired member or a  
16 member on June 30, 2010, the age and service requirements for  
17 normal retirement are:

18                             (1) age sixty years or older and six or more  
19 years of service credit; or

20                             (2) any age if the member has six or more  
21 years of service credit and the sum of the member's age and  
22 years of service credit equals at least seventy-five."

23                   SECTION 47. Section 10-11-58 NMSA 1978 (being Laws 1987,  
24 Chapter 253, Section 58) is amended to read:

25                   "10-11-58. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--

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underscored material = new  
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1 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police  
2 member coverage plan 1, the amount of pension under form of  
3 payment A is equal to two percent of the final average salary  
4 multiplied by credited service. The amount shall not exceed  
5 [~~sixty~~] ninety percent of the final average salary."

6 SECTION 48. Section 10-11-60 NMSA 1978 (being Laws 1987,  
7 Chapter 253, Section 60) is amended to read:

8 "10-11-60. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--  
9 MEMBER CONTRIBUTION RATE.--A member under municipal police  
10 member coverage plan 1 shall contribute [~~seven~~] eight and one-  
11 half percent of salary."

12 SECTION 49. Section 10-11-61 NMSA 1978 (being Laws 1987,  
13 Chapter 253, Section 61) is amended to read:

14 "10-11-61. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--  
15 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
16 public employer shall contribute [~~ten~~] eleven and one-half  
17 percent of the salary of each member [~~which~~] it employs and who  
18 is covered under municipal police member coverage plan 1,  
19 except that:

20 A. from July 1, 2013 through June 30, 2014, the  
21 affiliated public employer contribution rate shall be ten  
22 percent of the salary of each member;

23 B. from July 1, 2014 through June 30, 2015, the  
24 affiliated public employer contribution rate shall be ten and  
25 one-half percent of the salary of each member; and

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1           C. from July 1, 2015 through June 30, 2016, the  
2 affiliated public employer contribution rate shall be eleven  
3 percent of the salary of each member."

4           SECTION 50. Section 10-11-63 NMSA 1978 (being Laws 1987,  
5 Chapter 253, Section 63) is amended to read:

6           "10-11-63. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--AGE  
7 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
8 municipal police coverage plan 2:

9           A. for a member who was a retired member or a  
10 member on June 30, 2010, the age and service requirements for  
11 normal retirement are:

12                   [~~A.~~] (1) age sixty-five years or older and  
13 five or more years of credited service;

14                   [~~B.~~] (2) age sixty-four years and eight or  
15 more years of credited service;

16                   [~~C.~~] (3) age sixty-three years and eleven or  
17 more years of credited service;

18                   [~~D.~~] (4) age sixty-two years and fourteen or  
19 more years of credited service;

20                   [~~E.~~] (5) age sixty-one years and seventeen or  
21 more years of credited service;

22                   [~~F.~~] (6) age sixty years and twenty or more  
23 years of credited service; or

24                   [~~G.~~] (7) any age and twenty-five or more years  
25 of credited service; and

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1           B. for a member who was not a retired member or a  
2 member on June 30, 2010, the age and service requirements for  
3 normal retirement are:

4                   (1) age sixty years or older and six or more  
5 years of service credit; or

6                   (2) any age if the member has six or more  
7 years of service credit and the sum of the member's age and  
8 years of service credit equals at least seventy-five."

9           SECTION 51. Section 10-11-64 NMSA 1978 (being Laws 1987,  
10 Chapter 253, Section 64) is amended to read:

11           "10-11-64. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--  
12 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police  
13 member coverage plan 2:

14                   A. for a member with age and service requirements  
15 provided under Subsection A of Section 10-11-63 NMSA 1978, the  
16 amount of pension under form of payment A is equal to two and  
17 one-half percent of the final average salary multiplied by  
18 credited service. The amount shall not exceed [one hundred]  
19 ninety percent of the final average salary; and

20                   B. for a member with age and service requirements  
21 provided under Subsection B of Section 10-11-63 NMSA 1978, the  
22 amount of pension under form of payment A is equal to two  
23 percent of the final average salary multiplied by credited  
24 service. The amount shall not exceed ninety percent of the  
25 final average salary."

underscored material = new  
[bracketed material] = delete

1 SECTION 52. Section 10-11-66 NMSA 1978 (being Laws 1987,  
2 Chapter 253, Section 66) is amended to read:

3 "10-11-66. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--  
4 MEMBER CONTRIBUTION RATE.--A member under municipal police  
5 member coverage plan 2 shall contribute [~~seven~~] eight and one-  
6 half percent of salary."

7 SECTION 53. Section 10-11-67 NMSA 1978 (being Laws 1987,  
8 Chapter 253, Section 67) is amended to read:

9 "10-11-67. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--  
10 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
11 public employer shall contribute [~~fifteen~~] sixteen and one-half  
12 percent of the salary of each member [~~which~~] it employs and who  
13 is covered under municipal police member coverage plan 2,  
14 except that:

15 A. from July 1, 2013 through June 30, 2014, the  
16 affiliated public employer contribution rate shall be fifteen  
17 percent of the salary of each member;

18 B. from July 1, 2014 through June 30, 2015, the  
19 affiliated public employer contribution rate shall be fifteen  
20 and one-half percent of the salary of each member; and

21 C. from July 1, 2015 through June 30, 2016, the  
22 affiliated public employer contribution rate shall be sixteen  
23 percent of the salary of each member."

24 SECTION 54. Section 10-11-69 NMSA 1978 (being Laws 1987,  
25 Chapter 253, Section 69) is amended to read:

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underscored material = new  
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1 "10-11-69. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--AGE  
2 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
3 municipal police member coverage plan 3:

4 A. for a member who was a retired member or a  
5 member on June 30, 2010, the age and service requirements for  
6 normal retirement are:

7 [A.] (1) age sixty-five years or older and  
8 five or more years of credited service;

9 [B.] (2) age sixty-four years and eight or  
10 more years of credited service;

11 [C.] (3) age sixty-three years and eleven or  
12 more years of credited service;

13 [D.] (4) age sixty-two years and fourteen or  
14 more years of credited service;

15 [E.] (5) age sixty-one years and seventeen or  
16 more years of credited service; or

17 [F.] (6) any age and twenty or more years of  
18 credited service; and

19 B. for a member who was not a retired member or a  
20 member on June 30, 2010, the age and service requirements for  
21 normal retirement are:

22 (1) age sixty years or older and six or more  
23 years of service credit; or

24 (2) any age if the member has six or more  
25 years of service credit and the sum of the member's age and

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underscored material = new  
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1 years of service credit equals at least seventy-five."

2 SECTION 55. Section 10-11-70 NMSA 1978 (being Laws 1987,  
3 Chapter 253, Section 70) is amended to read:

4 "10-11-70. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--  
5 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police  
6 member coverage plan 3:

7 A. for a member with age and service requirements  
8 provided under Subsection A of Section 10-11-69 NMSA 1978, the  
9 amount of pension under form of payment A is equal to two and  
10 one-half percent of the final average salary multiplied by  
11 credited service. The amount shall not exceed [~~one hundred~~]  
12 ninety percent of the final average salary; and

13 B. for a member with age and service requirements  
14 provided under Subsection B of Section 10-11-69 NMSA 1978, the  
15 amount of pension under form of payment A is equal to two  
16 percent of the final average salary multiplied by credited  
17 service. The amount shall not exceed ninety percent of the  
18 final average salary."

19 SECTION 56. Section 10-11-72 NMSA 1978 (being Laws 1987,  
20 Chapter 253, Section 72) is amended to read:

21 "10-11-72. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--  
22 MEMBER CONTRIBUTION RATE.--A member under municipal police  
23 member coverage plan 3 shall contribute [~~seven~~] eight and one-  
24 half percent of salary."

25 SECTION 57. Section 10-11-73 NMSA 1978 (being Laws 1987,

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underscored material = new  
[bracketed material] = delete

1 Chapter 253, Section 73) is amended to read:

2 "10-11-73. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--  
3 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
4 public employer shall contribute [~~eighteen and one-half~~] twenty  
5 percent of the salary of each member [which] it employs and who  
6 is covered under [~~coverage~~] municipal police member coverage  
7 plan 3, except that:

8 A. from July 1, 2013 through June 30, 2014, the  
9 affiliated public employer contribution rate shall be eighteen  
10 and one-half percent of the salary of each member;

11 B. from July 1, 2014 through June 30, 2015, the  
12 affiliated public employer contribution rate shall be nineteen  
13 percent of the salary of each member; and

14 C. from July 1, 2015 through June 30, 2016, the  
15 affiliated public employer contribution rate shall be nineteen  
16 and one-half percent of the salary of each member."

17 SECTION 58. Section 10-11-75 NMSA 1978 (being Laws 1987,  
18 Chapter 253, Section 75) is amended to read:

19 "10-11-75. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--AGE  
20 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
21 municipal police member coverage plan 4:

22 A. for a member who was a retired member or a  
23 member on June 30, 2010, the age and service requirements for  
24 normal retirement are:

25 [~~A.~~] (1) age sixty-five years or older and

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[bracketed material] = delete

1 five or more years of credited service;

2 [B.] (2) age sixty-four years and eight or  
3 more years of credited service;

4 [C.] (3) age sixty-three years and eleven or  
5 more years of credited service;

6 [D.] (4) age sixty-two years and fourteen or  
7 more years of credited service;

8 [E.] (5) age sixty-one years and seventeen or  
9 more years of credited service; or

10 [F.] (6) any age and twenty or more years of  
11 credited service; and

12 B. for a member who was not a retired member or a  
13 member on June 30, 2010, the age and service requirements for  
14 normal retirement are:

15 (1) age sixty years or older and six or more  
16 years of service credit; or

17 (2) any age if the member has six or more  
18 years of service credit and the sum of the member's age and  
19 years of service credit equals at least seventy-five."

20 SECTION 59. Section 10-11-76 NMSA 1978 (being Laws 1987,  
21 Chapter 253, Section 76) is amended to read:

22 "10-11-76. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--  
23 AMOUNT OF PENSION--FORM OF PENSION A.--Under municipal police  
24 member coverage plan 4:

25 A. for a member with age and service requirements

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underscored material = new  
[bracketed material] = delete

1 provided under Subsection A of Section 10-11-75 NMSA 1978, the  
2 amount of pension under form of payment A is equal to three  
3 percent of the final average salary multiplied by credited  
4 service. The amount shall not exceed ~~[eighty]~~ ninety percent  
5 of the final average salary; and

6 B. for a member with age and service requirements  
7 provided under Subsection B of Section 10-11-75 NMSA 1978, the  
8 amount of pension under form of payment A is equal to two and  
9 one-half percent of the final average salary multiplied by  
10 credited service. The amount shall not exceed ninety percent  
11 of the final average salary."

12 SECTION 60. Section 10-11-78 NMSA 1978 (being Laws 1987,  
13 Chapter 253, Section 78) is amended to read:

14 "10-11-78. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--  
15 MEMBER CONTRIBUTION RATE.--A member under municipal police  
16 member coverage plan 4 shall contribute [~~twelve and thirty-five~~  
17 ~~one-hundredths~~] thirteen and eighty-five hundredths percent of  
18 salary starting with the first full pay period in the calendar  
19 month in which municipal police member coverage plan 4 becomes  
20 applicable to the member."

21 SECTION 61. Section 10-11-79 NMSA 1978 (being Laws 1987,  
22 Chapter 253, Section 79) is amended to read:

23 "10-11-79. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--  
24 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
25 public employer shall contribute [~~eighteen and one-half~~] twenty

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underscored material = new  
[bracketed material] = delete

1 percent of the salary of each member ~~[which]~~ it employs and who  
2 is covered under municipal police member coverage plan 4,  
3 except that:

4 A. from July 1, 2013 through June 30, 2014, the  
5 affiliated public employer contribution rate shall be eighteen  
6 and one-half percent of the salary of each member;

7 B. from July 1, 2014 through June 30, 2015, the  
8 affiliated public employer contribution rate shall be nineteen  
9 percent of the salary of each member; and

10 C. from July 1, 2015 through June 30, 2016, the  
11 affiliated public employer contribution rate shall be nineteen  
12 and one-half percent of the salary of each member."

13 SECTION 62. Section 10-11-81 NMSA 1978 (being Laws 1987,  
14 Chapter 253, Section 81) is amended to read:

15 "10-11-81. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--AGE  
16 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
17 municipal police member coverage plan 5:

18 A. for a member who was a retired member or a  
19 member on June 30, 2010, the age and service requirements for  
20 normal retirement are:

21 ~~[A.]~~ (1) age sixty-five years or older and  
22 five or more years of credited service;

23 ~~[B.]~~ (2) age sixty-four years and eight or  
24 more years of credited service;

25 ~~[C.]~~ (3) age sixty-three years and eleven or

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1 more years of credited service;

2 ~~[D.]~~ (4) age sixty-two years and fourteen or  
3 more years of credited service;

4 ~~[E.]~~ (5) age sixty-one years and seventeen or  
5 more years of credited service; or

6 ~~[F.]~~ (6) any age and twenty or more years of  
7 credited service; and

8 B. for a member who was not a retired member or a  
9 member on June 30, 2010, the age and service requirements for  
10 normal retirement are:

11 (1) age sixty years or older and six or more  
12 years of service credit; or

13 (2) any age if the member has six or more  
14 years of service credit and the sum of the member's age and  
15 years of service credit equals at least seventy-five."

16 SECTION 63. Section 10-11-82 NMSA 1978 (being Laws 1987,  
17 Chapter 253, Section 82) is amended to read:

18 "10-11-82. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--  
19 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police  
20 member coverage plan 5:

21 A. for a member with age and service requirements  
22 provided under Subsection A of Section 10-11-81 NMSA 1978, the  
23 amount of pension under form of payment A is equal to three and  
24 one-half percent of the final average salary multiplied by  
25 credited service. The amount shall not exceed ~~[eighty]~~ ninety

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1 percent of the final average salary; and

2 B. for a member with age and service requirements  
3 provided under Subsection B of Section 10-11-81 NMSA 1978, the  
4 amount of pension under form of payment A is equal to three  
5 percent of the final average salary multiplied by credited  
6 service. The amount shall not exceed ninety percent of the  
7 final average salary."

8 SECTION 64. Section 10-11-84 NMSA 1978 (being Laws 1987,  
9 Chapter 253, Section 84) is amended to read:

10 "10-11-84. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--  
11 MEMBER CONTRIBUTION RATE.--A member under municipal police  
12 member coverage plan 5 shall contribute [~~sixteen and three-~~  
13 ~~tenths~~] seventeen and eight-tenths percent of salary starting  
14 with the first full pay period in the calendar month in which  
15 municipal police member coverage plan 5 becomes applicable to  
16 the member."

17 SECTION 65. Section 10-11-85 NMSA 1978 (being Laws 1987,  
18 Chapter 253, Section 85) is amended to read:

19 "10-11-85. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--  
20 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
21 public employer shall contribute [~~eighteen and one-half~~] twenty  
22 percent of the salary of each member [~~which~~] it employs and who  
23 is covered under municipal police member coverage plan 5,  
24 except that:

25 A. from July 1, 2013 through June 30, 2014, the

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1 affiliated public employer contribution rate shall be eighteen  
2 and one-half percent of the salary of each member;

3 B. from July 1, 2014 through June 30, 2015, the  
4 affiliated public employer contribution rate shall be nineteen  
5 percent of the salary of each member; and

6 C. from July 1, 2015 through June 30, 2016, the  
7 affiliated public employer contribution rate shall be nineteen  
8 and one-half percent of the salary of each member."

9 SECTION 66. Section 10-11-87 NMSA 1978 (being Laws 1987,  
10 Chapter 253, Section 87) is amended to read:

11 "10-11-87. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--AGE AND  
12 SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under municipal  
13 fire member coverage plan 1:

14 A. for a member who was a retired member or a  
15 member on June 30, 2010, the age and service requirements for  
16 normal retirement are:

17 [~~A.~~] (1) age sixty-five years or older and  
18 five or more years of credited service;

19 [~~B.~~] (2) age sixty-four years and eight or  
20 more years of credited service;

21 [~~C.~~] (3) age sixty-three years and eleven or  
22 more years of credited service;

23 [~~D.~~] (4) age sixty-two years and fourteen or  
24 more years of credited service;

25 [~~E.~~] (5) age sixty-one years and seventeen or

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1 more years of credited service;

2 ~~[F.]~~ (6) age sixty years and twenty or more  
3 years of credited service; or

4 ~~[G.]~~ (7) any age and twenty-five or more years  
5 of credited service; and

6 B. for a member who was not a retired member or a  
7 member on June 30, 2010, the age and service requirements for  
8 normal retirement are:

9 (1) age sixty years or older and six or more  
10 years of service credit; or

11 (2) any age if the member has six or more  
12 years of service credit and the sum of the member's age and  
13 years of service credit equals at least seventy-five."

14 SECTION 67. Section 10-11-88 NMSA 1978 (being Laws 1987,  
15 Chapter 253, Section 88) is amended to read:

16 "10-11-88. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--AMOUNT  
17 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member  
18 coverage plan 1, the amount of pension under form of payment A  
19 is equal to two percent of the final average salary multiplied  
20 by credited service. The amount shall not exceed [~~sixty~~]  
21 ninety percent of the final average salary."

22 SECTION 68. Section 10-11-90 NMSA 1978 (being Laws 1987,  
23 Chapter 253, Section 90, as amended) is amended to read:

24 "10-11-90. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--MEMBER  
25 CONTRIBUTION RATE.--A member under municipal fire member

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1 coverage plan 1 shall contribute [~~eight~~] nine and one-half  
2 percent of salary."

3 SECTION 69. Section 10-11-91 NMSA 1978 (being Laws 1987,  
4 Chapter 253, Section 91, as amended) is amended to read:

5 "10-11-91. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--  
6 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
7 public employer shall contribute [~~eleven~~] twelve and one-half  
8 percent of the salary of each member [~~whom~~] it employs and  
9 covers under municipal fire member coverage plan 1, except  
10 that:

11 A. from July 1, 2013 through June 30, 2014, the  
12 affiliated public employer contribution rate shall be eleven  
13 percent of the salary of each member;

14 B. from July 1, 2014 through June 30, 2015, the  
15 affiliated public employer contribution rate shall be eleven  
16 and one-half percent of the salary of each member; and

17 C. from July 1, 2015 through June 30, 2016, the  
18 affiliated public employer contribution rate shall be twelve  
19 percent of the salary of each member."

20 SECTION 70. Section 10-11-93 NMSA 1978 (being Laws 1987,  
21 Chapter 253, Section 93) is amended to read:

22 "10-11-93. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--AGE AND  
23 SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under municipal  
24 fire member coverage plan 2:

25 A. for a member who was a retired member or a

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underscored material = new  
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1 member on June 30, 2010, the age and service requirements for  
2 normal retirement are:

3 [A-] (1) age sixty-five years or older and  
4 five or more years of credited service;

5 [B-] (2) age sixty-four years and eight or  
6 more years of credited service;

7 [C-] (3) age sixty-three years and eleven or  
8 more years of credited service;

9 [D-] (4) age sixty-two years and fourteen or  
10 more years of credited service;

11 [E-] (5) age sixty-one years and seventeen or  
12 more years of credited service;

13 [F-] (6) age sixty years and twenty or more  
14 years of credited service; or

15 [G-] (7) any age and twenty-five or more years  
16 of credited service; and

17 B. for a member who was not a retired member or a  
18 member on June 30, 2010, the age and service requirements for  
19 normal retirement are:

20 (1) age sixty years or older and six or more  
21 years of service credit; or

22 (2) any age if the member has six or more  
23 years of service credit and the sum of the member's age and  
24 years of service credit equals at least seventy-five."

25 SECTION 71. Section 10-11-94 NMSA 1978 (being Laws 1987,

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underscored material = new  
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1 Chapter 253, Section 94) is amended to read:

2 "10-11-94. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--AMOUNT  
3 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member  
4 contribution plan 2:

5 A. for a member with age and service requirements  
6 provided under Subsection A of Section 10-11-93 NMSA 1978, the  
7 amount of pension under form of payment A is equal to two and  
8 one-half percent of the final average salary multiplied by  
9 credited service. The amount shall not exceed [one hundred]  
10 ninety percent of the final average salary; and

11 B. for a member with age and service requirements  
12 provided under Subsection B of Section 10-11-93 NMSA 1978, the  
13 amount of pension under form of payment A is equal to two  
14 percent of the final average salary multiplied by credited  
15 service. The amount shall not exceed ninety percent of the  
16 final average salary."

17 SECTION 72. Section 10-11-96 NMSA 1978 (being Laws 1987,  
18 Chapter 253, Section 96, as amended) is amended to read:

19 "10-11-96. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--MEMBER  
20 CONTRIBUTION RATE.--A member under municipal fire member  
21 coverage plan 2 shall contribute [~~eight~~] nine and one-half  
22 percent of salary."

23 SECTION 73. Section 10-11-97 NMSA 1978 (being Laws 1987,  
24 Chapter 253, Section 97, as amended) is amended to read:

25 "10-11-97. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--

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1 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
2 public employer shall contribute [~~seventeen and one-half~~]  
3 nineteen percent of the salary of each member [~~whom~~] it employs  
4 and covers under municipal fire member coverage plan 2, except  
5 that:

6 A. from July 1, 2013 through June 30, 2014, the  
7 affiliated public employer contribution rate shall be seventeen  
8 and one-half percent of the salary of each member;

9 B. from July 1, 2014 through June 30, 2015, the  
10 affiliated public employer contribution rate shall be eighteen  
11 percent of the salary of each member; and

12 C. from July 1, 2015 through June 30, 2016, the  
13 affiliated public employer contribution rate shall be eighteen  
14 and one-half percent of the salary of each member."

15 SECTION 74. Section 10-11-99 NMSA 1978 (being Laws 1987,  
16 Chapter 253, Section 99) is amended to read:

17 "10-11-99. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--AGE AND  
18 SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under municipal  
19 fire member coverage plan 3:

20 A. for a member who was a retired member or a  
21 member on June 30, 2010, the age and service requirements for  
22 normal retirement are:

23 [A-] (1) age sixty-five years or older and  
24 five or more years of credited service;

25 [B-] (2) age sixty-four years and eight or

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1 more years of credited service;

2 ~~[G.]~~ (3) age sixty-three years and eleven or  
3 more years of credited service;

4 ~~[D.]~~ (4) age sixty-two years and fourteen or  
5 more years of credited service;

6 ~~[E.]~~ (5) age sixty-one years and seventeen or  
7 more years of credited service; or

8 ~~[F.]~~ (6) any age and twenty or more years of  
9 credited service; and

10 B. for a member who was not a retired member or a  
11 member on June 30, 2010, the age and service requirements for  
12 normal retirement are:

13 (1) age sixty years or older and six or more  
14 years of service credit; or

15 (2) any age if the member has six or more  
16 years of service credit and the sum of the member's age and  
17 years of service credit equals at least seventy-five."

18 SECTION 75. Section 10-11-100 NMSA 1978 (being Laws 1987,  
19 Chapter 253, Section 100) is amended to read:

20 "10-11-100. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--AMOUNT  
21 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member  
22 coverage plan 3:

23 A. for a member with age and service requirements  
24 provided under Subsection A of Section 10-11-99 NMSA 1978, the  
25 amount of pension under form of payment A is equal to two and

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1 one-half percent of the final average salary multiplied by  
2 credited service. The amount shall not exceed [~~one hundred~~]  
3 ninety percent of the final average salary; and

4 B. for a member with age and service requirements  
5 provided under Subsection B of Section 10-11-99 NMSA 1978, the  
6 amount of pension under form of payment A is equal to two  
7 percent of the final average salary multiplied by credited  
8 service. The amount shall not exceed ninety percent of the  
9 final average salary."

10 SECTION 76. Section 10-11-102 NMSA 1978 (being Laws 1987,  
11 Chapter 253, Section 102, as amended) is amended to read:

12 "10-11-102. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--MEMBER  
13 CONTRIBUTION RATE.--A member under municipal fire member  
14 coverage plan 3 shall contribute [~~eight~~] nine and one-half  
15 percent of salary."

16 SECTION 77. Section 10-11-103 NMSA 1978 (being Laws 1987,  
17 Chapter 253, Section 103, as amended) is amended to read:

18 "10-11-103. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--  
19 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
20 public employer shall contribute [~~twenty-one and twenty-five~~  
21 ~~one-hundredths~~] twenty-two and seventy-five hundredths percent  
22 of the salary of each member [~~whom~~] it employs and covers under  
23 municipal fire member coverage plan 3, except that:

24 A. from July 1, 2013 through June 30, 2014, the  
25 affiliated public employer contribution rate shall be

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1 twenty-one and twenty-five hundredths percent of the salary of  
2 each member;

3 B. from July 1, 2014 through June 30, 2015, the  
4 affiliated public employer contribution rate shall be  
5 twenty-one and seventy-five hundredths percent of the salary of  
6 each member; and

7 C. from July 1, 2015 through June 30, 2016, the  
8 affiliated public employer contribution rate shall be twenty-  
9 two and twenty-five hundredths percent of the salary of each  
10 member."

11 SECTION 78. Section 10-11-105 NMSA 1978 (being Laws 1987,  
12 Chapter 253, Section 105) is amended to read:

13 "10-11-105. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--AGE  
14 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
15 municipal fire member coverage plan 4:

16 A. for a member who was a retired member or a  
17 member on June 30, 2010, the age and service requirements for  
18 normal retirement are:

19 [~~A-~~] (1) age sixty-five years or older and  
20 five or more years of credited service;

21 [~~B-~~] (2) age sixty-four years and eight or  
22 more years of credited service;

23 [~~C-~~] (3) age sixty-three years and eleven or  
24 more years of credited service;

25 [~~D-~~] (4) age sixty-two years and fourteen or

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1 more years of credited service;

2 ~~[E-]~~ (5) age sixty-one years and seventeen or  
3 more years of credited service; or

4 ~~[F-]~~ (6) any age and twenty or more years of  
5 credited service; and

6 B. for a member who was not a retired member or a  
7 member on June 30, 2010, the age and service requirements for  
8 normal retirement are:

9 (1) age sixty years or older and six or more  
10 years of service credit; or

11 (2) any age if the member has six or more  
12 years of service credit and the sum of the member's age and  
13 years of service credit equals at least seventy-five."

14 SECTION 79. Section 10-11-106 NMSA 1978 (being Laws 1987,  
15 Chapter 253, Section 106) is amended to read:

16 "10-11-106. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--AMOUNT  
17 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member  
18 coverage plan 4:

19 A. for a member with age and service requirements  
20 provided under Subsection A of Section 10-11-105 NMSA 1978, the  
21 amount of pension under form of payment A is equal to three  
22 percent of the final average salary multiplied by credited  
23 service. The amount shall not exceed [eighty] ninety percent  
24 of the final average salary; and

25 B. for a member with age and service requirements

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1 provided under Subsection B of Section 10-11-105 NMSA 1978, the  
2 amount of pension under form of payment A is equal to two and  
3 one-half percent of the final average salary multiplied by  
4 credited service. The amount shall not exceed ninety percent  
5 of the final average salary."

6 SECTION 80. Section 10-11-108 NMSA 1978 (being Laws 1987,  
7 Chapter 253, Section 108, as amended) is amended to read:

8 "10-11-108. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--MEMBER  
9 CONTRIBUTION RATE.--A member under municipal fire member  
10 coverage plan 4 shall contribute [~~twelve and eight-tenths~~]  
11 fourteen and three-tenths percent of salary."

12 SECTION 81. Section 10-11-109 NMSA 1978 (being Laws 1987,  
13 Chapter 253, Section 109, as amended) is amended to read:

14 "10-11-109. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--  
15 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
16 public employer shall contribute [~~twenty-one and twenty-five~~  
17 ~~one-hundredths~~] twenty-two and seventy-five hundredths percent  
18 of the salary of each member [~~whom~~] it employs and covers under  
19 municipal fire member coverage plan 4, except that:

20 A. from July 1, 2013 through June 30, 2014, the  
21 affiliated public employer contribution rate shall be twenty-  
22 one and twenty-five hundredths percent of the salary of each  
23 member;

24 B. from July 1, 2014 through June 30, 2015, the  
25 affiliated public employer contribution rate shall be twenty-

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1 one and seventy-five hundredths percent of the salary of each  
2 member; and

3 C. from July 1, 2015 through June 30, 2016, the  
4 affiliated public employer contribution rate shall be twenty-  
5 two and twenty-five hundredths percent of the salary of each  
6 member."

7 SECTION 82. Section 10-11-111 NMSA 1978 (being Laws 1987,  
8 Chapter 253, Section 111) is amended to read:

9 "10-11-111. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--AGE  
10 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
11 municipal fire member coverage plan 5:

12 A. for a member who was a retired member or a  
13 member on June 30, 2010, the age and service requirements for  
14 normal retirement are:

15 [~~A.~~] (1) age sixty-five years or older and  
16 five or more years of credited service;

17 [~~B.~~] (2) age sixty-four years and eight or  
18 more years of credited service;

19 [~~C.~~] (3) age sixty-three years and eleven or  
20 more years of credited service;

21 [~~D.~~] (4) age sixty-two years and fourteen or  
22 more years of credited service;

23 [~~E.~~] (5) age sixty-one years and seventeen or  
24 more years of credited service; or

25 [~~F.~~] (6) any age and twenty or more years of

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1 credited service; and

2 B. for a member who was not a retired member or a  
3 member on June 30, 2010, the age and service requirements for  
4 normal retirement are:

5 (1) age sixty years or older and six or more  
6 years of service credit; or

7 (2) any age if the member has six or more  
8 years of service credit and the sum of the member's age and  
9 years of service credit equals at least seventy-five."

10 SECTION 83. Section 10-11-112 NMSA 1978 (being Laws 1987,  
11 Chapter 253, Section 112) is amended to read:

12 "10-11-112. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--AMOUNT  
13 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member  
14 coverage plan 5:

15 A. for a member with age and service requirements  
16 provided under Subsection A of Section 10-11-111 NMSA 1978,  
17 the amount of pension under form of payment A is equal to three  
18 and one-half percent of the final average salary multiplied by  
19 credited service. The amount shall not exceed [~~eighty~~] ninety  
20 percent of the final average salary; and

21 B. for a member with age and service requirements  
22 provided under Subsection B of Section 10-11-111 NMSA 1978, the  
23 amount of pension under form of payment A is equal to three  
24 percent of the final average salary multiplied by credited  
25 service. The amount shall not exceed ninety percent of the

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1 final average salary."

2 SECTION 84. Section 10-11-114 NMSA 1978 (being Laws 1987,  
3 Chapter 253, Section 114, as amended) is amended to read:

4 "10-11-114. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--MEMBER  
5 CONTRIBUTION RATE.--A member under municipal fire member  
6 coverage plan 5 shall contribute [~~sixteen and two-tenths~~]  
7 seventeen and seven-tenths percent of salary."

8 SECTION 85. Section 10-11-115 NMSA 1978 (being Laws 1987,  
9 Chapter 253, Section 115, as amended) is amended to read:

10 "10-11-115. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--  
11 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
12 public employer shall contribute [~~twenty-one and twenty-five~~  
13 ~~one-hundredths~~] twenty-two and seventy-five hundredths percent  
14 of the salary of each member [~~whom~~] it employs and covers under  
15 municipal fire member coverage plan 5, except that:

16 A. from July 1, 2013 through June 30, 2014, the  
17 affiliated public employer contribution rate shall be twenty-  
18 one and twenty-five hundredths percent of the salary of each  
19 member;

20 B. from July 1, 2014 through June 30, 2015, the  
21 affiliated public employer contribution rate shall be twenty-  
22 one and seventy-five hundredths percent of the salary of each  
23 member; and

24 C. from July 1, 2015 through June 30, 2016, the  
25 affiliated public employer contribution rate shall be twenty-

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1 two and twenty-five hundredths percent of the salary of each  
2 member."

3 SECTION 86. Section 10-11-115.2 NMSA 1978 (being Laws  
4 2003, Chapter 268, Section 3) is amended to read:

5 "10-11-115.2. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
6 PLAN 1--AGE AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT--  
7 CALCULATION OF CREDITED SERVICE.--

8 A. Under municipal detention officer member  
9 coverage plan 1, for a member who was a retired member or a  
10 member on June 30, 2010, the age and service requirements for  
11 normal retirement are:

12 (1) age sixty-five years or older and five or  
13 more years of credited service;

14 (2) age sixty-four years and eight or more  
15 years of credited service;

16 (3) age sixty-three years and eleven or more  
17 years of credited service;

18 (4) age sixty-two years and fourteen or more  
19 years of credited service;

20 (5) age sixty-one years and seventeen or more  
21 years of credited service;

22 (6) age sixty years and twenty or more years  
23 of credited service; or

24 (7) any age and twenty-five or more years of  
25 credited service.

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1           B. For a member who was not a retired member or a  
2 member on June 30, 2010, the age and service requirements for  
3 normal retirement are:

4                   (1) age sixty years or older and six or more  
5 years of service credit; or

6                   (2) any age if the member has six or more  
7 years of service credit and the sum of the member's age and  
8 years of service credit equals at least seventy-five.

9           ~~[B. In calculating credited service]~~

10           C. For the purposes of determining retirement  
11 eligibility and the amount of pension, the credited service of  
12 a municipal detention officer member who was a retired member  
13 or a member on June 30, 2010 shall ~~[have actual credited~~  
14 service] be increased by twenty percent for the purposes of  
15 municipal detention officer member coverage plan 1.

16           D. Except as provided in Subsection C of this  
17 section, the credited service of a municipal detention officer  
18 member shall be credited as provided under Section 10-11-4 NMSA  
19 1978."

20           SECTION 87. Section 10-11-115.3 NMSA 1978 (being Laws  
21 2003, Chapter 268, Section 4) is amended to read:

22           "10-11-115.3. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
23 PLAN 1--AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal  
24 detention officer member coverage plan 1, the amount of pension  
25 under form of payment A is equal to three percent of the final

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underscored material = new  
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1 average salary multiplied by credited service. The amount  
2 shall not exceed ~~[eighty]~~ ninety percent of the final average  
3 salary."

4 SECTION 88. Section 10-11-115.5 NMSA 1978 (being Laws  
5 2003, Chapter 268, Section 6) is amended to read:

6 "10-11-115.5. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
7 PLAN 1--MEMBER CONTRIBUTION RATE.--A member under municipal  
8 detention officer member coverage plan 1 shall contribute  
9 ~~[sixteen and sixty-five hundredths]~~ eighteen and fifteen-  
10 hundredths percent of salary starting with the first full pay  
11 period that ends within the calendar month in which municipal  
12 detention officer member coverage plan 1 becomes applicable to  
13 the member."

14 SECTION 89. Section 10-11-115.6 NMSA 1978 (being Laws  
15 2003, Chapter 268, Section 7) is amended to read:

16 "10-11-115.6. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
17 PLAN 1--EMPLOYER CONTRIBUTION RATE.--The affiliated public  
18 employer shall contribute ~~[sixteen and sixty-five hundredths]~~  
19 eighteen and fifteen-hundredths percent of the salary of each  
20 member under municipal detention officer member coverage plan 1  
21 starting with the first pay period that ends within the  
22 calendar month in which municipal detention officer member  
23 coverage plan 1 becomes applicable to the member, except that:

24 A. from July 1, 2013 through June 30, 2014, the  
25 affiliated public employer contribution rate shall be sixteen

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1 and sixty-five hundredths percent of the salary of each member;

2 B. from July 1, 2014 through June 30, 2015, the  
3 affiliated public employer contribution rate shall be seventeen  
4 and fifteen-hundredths percent of the salary of each member;  
5 and

6 C. from July 1, 2015 through June 30, 2016, the  
7 affiliated public employer contribution rate shall be seventeen  
8 and sixty-five hundredths percent of the salary of each  
9 member."

10 SECTION 90. Section 10-11-118 NMSA 1978 (being Laws 1987,  
11 Chapter 253, Section 118, as amended) is amended to read:

12 "10-11-118. COST-OF-LIVING ADJUSTMENTS--QUALIFIED PENSION  
13 RECIPIENT.--

14 A. For the purposes of this section:

15 (1) "preceding calendar year" means the  
16 twelve-month period ending on the December 31 preceding the  
17 July 1 in which pensions are being adjusted; and

18 (2) "second preceding calendar year" means the  
19 full calendar year prior to the preceding calendar year.

20 B. A qualified pension recipient is eligible for a  
21 cost-of-living pension adjustment. The amount of pension  
22 payable to a qualified pension recipient shall be increased  
23 [~~three~~] two percent each July 1. The amount of the increase  
24 shall be determined by multiplying the amount of pension  
25 inclusive of all prior cost-of-living pension adjustments by

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1     ~~[three]~~ two percent.

2             C. A qualified pension recipient is:

3                     (1) a normal retired member who:

4                             (a) retires on or before June 30, 2014  
5 and has been retired for at least two full calendar years from  
6 the effective date of the latest retirement prior to July 1 of  
7 the year in which the pension is being adjusted;

8                             (b) retires between July 1, 2014 and  
9 June 30, 2015 and has been retired for at least three full  
10 calendar years from the effective date of the latest retirement  
11 prior to July 1 of the year in which the pension is being  
12 adjusted;

13                             (c) retires between July 1, 2015 and  
14 June 30, 2016 and has been retired for at least four full  
15 calendar years from the effective date of the latest retirement  
16 prior to July 1 of the year in which the pension is being  
17 adjusted; or

18                             (d) retires after July 1, 2016 and has  
19 been retired for at least seven full calendar years from the  
20 effective date of the latest retirement prior to July 1 of the  
21 year in which the pension is being adjusted;

22                     (2) a normal retired member who has attained  
23 age sixty-five years and has been retired for at least one full  
24 calendar year from the effective date of the latest retirement  
25 prior to July 1 of the year in which the pension is being

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1 adjusted;

2 (3) a disability retired member who has been  
3 retired for at least one full calendar year from the effective  
4 date of the latest retirement prior to July 1 of the year in  
5 which the pension is being adjusted;

6 (4) a survivor beneficiary who has received a  
7 survivor pension for at least two full calendar years; or

8 (5) a survivor beneficiary of a deceased  
9 retired member who otherwise would have been retired at least  
10 two full calendar years from the effective date of the latest  
11 retirement prior to July 1 of the year in which the pension is  
12 being adjusted.

13 D. A qualified pension recipient may decline an  
14 increase in a pension by giving the association written notice  
15 of the decision to decline the increase at least thirty days  
16 prior to the date the increase would take effect."

17 SECTION 91. REPEAL.--Section 10-11-36 NMSA 1978 (being  
18 Laws 1987, Chapter 253, Section 36) is repealed.

19 SECTION 92. SEVERABILITY.--If any part or application of  
20 this act is held invalid, the remainder or its application to  
21 other situations or persons shall not be affected.

22 SECTION 93. EFFECTIVE DATE.--The effective date of the  
23 provisions of this act is July 1, 2013.

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25

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ADJUSTMENTS TO  
PERA BOARD PROPOSAL



BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PENSIONS; AMENDING THE PUBLIC EMPLOYEES RETIREMENT  
 ACT; REDUCING THE COST-OF-LIVING ADJUSTMENTS FOR ALL RETIREES;  
 DELAYING THE COST-OF-LIVING ADJUSTMENT FOR CERTAIN FUTURE  
 RETIREES; SUSPENDING THE COST-OF-LIVING ADJUSTMENTS FOR CERTAIN  
 RETURN-TO-WORK RETIREES; PROVIDING FOR AN INCREASE IN EMPLOYEE  
 AND EMPLOYER CONTRIBUTIONS; CHANGING THE BENEFITS FOR MEMBERS  
 INITIALLY EMPLOYED AFTER JUNE 30, 2013 BY REDUCING THE  
 MULTIPLIER AND INCREASING THE NUMBER OF YEARS USED TO CALCULATE  
 THE FINAL AVERAGE SALARY, INCREASING THE VESTING PERIOD,  
 INCREASING AGE AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT  
 AND INCREASING THE MAXIMUM PENSION BENEFIT; LIMITING PLAN  
 ENHANCEMENTS; RECONCILING MULTIPLE AMENDMENTS TO THE SAME  
 SECTION OF LAW IN LAWS 2003; AMENDING, REPEALING AND ENACTING  
 SECTIONS OF THE NMSA 1978.

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

2 SECTION 1. Section 10-11-2 NMSA 1978 (being Laws 1987,  
3 Chapter 253, Section 2, as amended) is amended to read:

4 "10-11-2. DEFINITIONS.--As used in the Public Employees  
5 Retirement Act:

6 A. "accumulated member contributions" means the  
7 amounts deducted from the salary of a member and credited to  
8 the member's individual account, together with interest, if  
9 any, credited to that account;

10 B. "affiliated public employer" means the state and  
11 any public employer affiliated with the association as provided  
12 in the Public Employees Retirement Act, but does not include an  
13 employer pursuant to the Magistrate Retirement Act, the  
14 Judicial Retirement Act or the Educational Retirement Act;

15 C. "association" means the public employees  
16 retirement association established under the Public Employees  
17 Retirement Act;

18 D. "disability retired member" means a retired  
19 member who is receiving a pension pursuant to the disability  
20 retirement provisions of the Public Employees Retirement Act;

21 E. "disability retirement pension" means the  
22 pension paid pursuant to the disability retirement provisions  
23 of the Public Employees Retirement Act;

24 F. "educational retirement system" means that  
25 retirement system provided for in the Educational Retirement

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1 Act;

2 G. "employee" means any employee of an affiliated  
3 public employer;

4 H. "federal social security program" means that  
5 program or those programs created and administered pursuant to  
6 the act of congress approved August 14, 1935, Chapter 531, 49  
7 Stat. 620, as that act may be amended;

8 I. "final average salary" means the final average  
9 salary calculated in accordance with the provisions of the  
10 applicable coverage plan;

11 J. "form of payment" means the applicable form of  
12 payment of a pension provided for in Section 10-11-117 NMSA  
13 1978;

14 K. "former member" means a person who was  
15 previously employed by an affiliated public employer, who has  
16 terminated that employment and who has received a refund of  
17 member contributions;

18 L. "fund" means the funds included under the Public  
19 Employees Retirement Act;

20 M. "member" means a currently employed,  
21 contributing employee of an affiliated public employer, or a  
22 person who has been but is not currently employed by an  
23 affiliated public employer, who has not retired and who has not  
24 received a refund of member contributions; "member" also  
25 includes the following:

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1 (1) "adult correctional officer member" means  
2 a member who is employed as an adult correctional officer or an  
3 adult correctional officer specialist [~~employed~~] by a state  
4 correctional facility of the corrections department or its  
5 successor agency;

6 [~~(2) "hazardous duty member" means a member~~  
7 ~~who is a juvenile correctional officer employed by the~~  
8 ~~children, youth and families department or its successor~~  
9 ~~agency;~~]

10 (2) "juvenile correctional officer member"  
11 means a member who is employed as a juvenile correctional  
12 officer by the children, youth and families department or its  
13 successor agency;

14 (3) "municipal detention officer member" means  
15 a member who is employed by an affiliated public employer other  
16 than the state and who has inmate custodial responsibilities at  
17 a facility used for the confinement of persons charged with or  
18 convicted of a violation of a law or ordinance;

19 (4) "municipal fire member" means any member  
20 who is employed as a full-time nonvolunteer firefighter by an  
21 affiliated public employer and who has taken the oath  
22 prescribed for firefighters;

23 (5) "municipal police member" means any member  
24 who is employed as a police officer by an affiliated public  
25 employer, other than the state, and who has taken the oath

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1 prescribed for police officers; and

2 (6) "state police member" means any member who  
3 is an officer of the New Mexico state police and who has taken  
4 the oath prescribed for such officers;

5 N. "membership" means membership in the  
6 association;

7 O. "pension" means a series of monthly payments to  
8 a retired member or survivor beneficiary as provided in the  
9 Public Employees Retirement Act;

10 P. "public employer" means the state, any  
11 municipality, city, county, metropolitan arroyo flood control  
12 authority, economic development district, regional housing  
13 authority, soil and water conservation district, entity created  
14 pursuant to a joint powers agreement, council of government,  
15 conservancy district, irrigation district, water and sanitation  
16 district, water district and metropolitan water board,  
17 including the boards, departments, bureaus and agencies of a  
18 public employer, so long as these entities fall within the  
19 meaning of governmental plan as that term is used in Section  
20 414(d) of the Internal Revenue Code of 1986, as amended;

21 Q. "refund beneficiary" means a person designated  
22 by the member, in writing, in the form prescribed by the  
23 association, as the person who would be refunded the member's  
24 accumulated member contributions payable if the member dies and  
25 no survivor pension is payable or who would receive the

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1 difference between pension paid and accumulated member  
2 contributions if the retired member dies before receiving in  
3 pension payments the amount of the accumulated member  
4 contributions;

5 R. "retire" means to:

6 (1) terminate employment with all employers  
7 covered by any state system or the educational retirement  
8 system; and

9 (2) receive a pension from a state system or  
10 the educational retirement system;

11 S. "retired member" means a person who has met all  
12 requirements for retirement and who is receiving a pension from  
13 the fund;

14 T. "retirement board" means the retirement board  
15 provided for in the Public Employees Retirement Act;

16 U. "salary" means the base salary or wages paid a  
17 member, including longevity pay, for personal services rendered  
18 an affiliated public employer. "Salary" shall not include  
19 overtime pay, allowances for housing, clothing, equipment or  
20 travel, payments for unused sick leave, unless the unused sick  
21 leave payment is made through continuation of the member on the  
22 regular payroll for the period represented by that payment, and  
23 any other form of remuneration not specifically designated by  
24 law as included in salary for Public Employees Retirement Act  
25 purposes. Salary in excess of the limitations set forth in

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1 Section 401(a) (17) of the Internal Revenue Code of 1986, as  
2 amended, shall be disregarded. The limitation on compensation  
3 for eligible employees shall not be less than the amount that  
4 was allowed to be taken into account under the state retirement  
5 system acts in effect on July 1, 1993. For purposes of this  
6 subsection, "eligible employee" means an individual who was a  
7 member of a state system before the first plan year beginning  
8 after December 31, 1995;

9 V. "state system" means the retirement programs  
10 provided for in the Public Employees Retirement Act, the  
11 Magistrate Retirement Act and the Judicial Retirement Act;

12 W. "state retirement system acts" means  
13 collectively the Public Employees Retirement Act, the  
14 Magistrate Retirement Act, the Judicial Retirement Act and the  
15 Volunteer Firefighters Retirement Act; and

16 X. "survivor beneficiary" means a person who  
17 receives a pension or who has been designated to be paid a  
18 pension as a result of the death of a member or retired  
19 member."

20 SECTION 2. Section 10-11-4 NMSA 1978 (being Laws 1987,  
21 Chapter 253, Section 4, as amended) is amended to read:

22 "10-11-4. SERVICE CREDIT--REQUIREMENTS FOR--FORFEITURE--  
23 REINSTATEMENT.--

24 A. Personal service rendered an affiliated public  
25 employer by a member shall be credited to the member's service

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1 credit account in accordance with retirement board rules and  
2 regulations. Service shall be credited to the nearest month.  
3 In no case shall any member be credited with a year of service  
4 for less than twelve months of service in any calendar year or  
5 more than a month of service for all service in any calendar  
6 month or more than a year of service for all service in any  
7 calendar year. In no case shall any member be allowed to  
8 purchase service credit unless the purchase is authorized in  
9 the Public Employees Retirement Act.

10 B. Personal service rendered an affiliated public  
11 employer prior to August 1, 1947 shall be credited to a member  
12 if the member acquires one year of service credit for personal  
13 service rendered an affiliated public employer.

14 C. Personal service rendered an affiliated public  
15 employer after July 31, 1947 but prior to the date the public  
16 employer became an affiliated public employer is prior service  
17 and shall be credited to a member if:

18 (1) the member [~~acquires five~~] has the  
19 applicable minimum number of years of service credit [for  
20 personal service rendered an affiliated public employer]  
21 required for normal retirement. As used in this paragraph,  
22 "service credit" means only the service credit earned by the  
23 member during periods of employment with an affiliated public  
24 employer; and

25 (2) the member pays the association the amount

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1 determined in accordance with Subsection D of this section.

2 D. The purchase cost for each month of service  
3 credit purchased under the provisions of this section is equal  
4 to the member's final average salary multiplied by the sum of  
5 the member contribution rate and employer contribution rate  
6 determined in accordance with the coverage plan applicable to  
7 the member at the time of the written election to purchase.  
8 Full payment shall be made in a single lump-sum amount in  
9 accordance with the procedures established by the retirement  
10 board. The portion of the purchase cost derived from the  
11 employer contribution rate shall be credited to the [employer]  
12 employers accumulation fund and shall not be refunded to the  
13 member in the event of cessation of membership. In no case  
14 shall any member be credited with a month of service for less  
15 than the purchase cost as defined in this section.

16 E. Service credit shall be forfeited if a member  
17 terminates employment with an affiliated public employer and  
18 withdraws the member's accumulated member contributions.

19 F. A member or former member who is a member of  
20 another state system or the educational retirement system and  
21 who has forfeited service credit by withdrawal of member  
22 contributions may reinstate the forfeited service credit by  
23 repaying the amount withdrawn plus compound interest from the  
24 date of withdrawal to the date of repayment at the rate set by  
25 the retirement board. Withdrawn member contributions may be

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1 repaid in increments of one year in accordance with the  
2 procedures established by the retirement board. Full payment  
3 of each one-year increment shall be made in a single lump-sum  
4 amount in accordance with procedures established by the  
5 retirement board."

6 SECTION 3. Section 10-11-7 NMSA 1978 (being Laws 1987,  
7 Chapter 253, Section 7, as amended) is amended to read:

8 "10-11-7. SERVICE CREDIT--PURCHASE OF SERVICE.--

9 A. A member who entered a uniformed service of the  
10 United States may purchase service credit for periods of active  
11 duty in the uniformed services subject to the following  
12 conditions:

13 (1) the member pays the association the  
14 purchase cost determined according to Subsection E of this  
15 section;

16 (2) the member has [~~five or more~~] the  
17 applicable minimum number of years of service credit [acquired  
18 as a result of personal service rendered in the employ of an  
19 affiliated public employer] required for normal retirement. As  
20 used in this paragraph, "service credit" means only the service  
21 credit earned by the member during periods of employment with  
22 an affiliated public employer;

23 (3) the aggregate amount of service credit  
24 purchased pursuant to this subsection does not exceed five  
25 years reduced by any period of service credit acquired for

1 military service pursuant to any other provision of the Public  
2 Employees Retirement Act;

3 (4) service credit may not be purchased for  
4 periods of service in the uniformed services that are used to  
5 obtain or increase a benefit from another retirement program;  
6 and

7 (5) the member must not have received a  
8 discharge or separation from uniformed service under other than  
9 honorable conditions.

10 B. A member who was a civilian prisoner of war  
11 captured while in service to the United States as an employee  
12 of the federal government or as an employee of a contractor  
13 with the federal government may purchase service credit for the  
14 period of internment as a civilian prisoner of war, provided  
15 that:

16 (1) the member provides proof of employment  
17 with the federal government or as a contractor to the federal  
18 government in a form acceptable to the association;

19 (2) the member provides proof of the period of  
20 internment in a form acceptable to the association;

21 (3) the member has [~~at least five~~] the  
22 applicable minimum number of years of service credit [acquired  
23 as a result of personal service rendered in the employ of an  
24 affiliated public employer] required for normal retirement. As  
25 used in this paragraph, "service credit" means only the service

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1 credit earned by the member during periods of employment with  
2 an affiliated public employer;

3 (4) the aggregate amount of service credit  
4 purchased pursuant to this subsection does not exceed five  
5 years reduced by any period of service credit acquired for  
6 military service pursuant to any other provision of the Public  
7 Employees Retirement Act;

8 (5) service credit may not be purchased for  
9 periods of service in internment as a civilian prisoner of war  
10 if such periods are used to obtain or increase a benefit from  
11 another retirement program; and

12 (6) the member pays the association the  
13 purchase cost determined according to Subsection E of this  
14 section.

15 C. A member who was employed by a utility company,  
16 library, museum, transit company or nonprofit organization  
17 administering federally funded public service programs, which  
18 utility company, library, museum, transit company or nonprofit  
19 organization administering federally funded public service  
20 programs or federally funded public service programs  
21 administered by a nonprofit organization are subsequently taken  
22 over by an affiliated public employer, or a member who was  
23 employed by an entity created pursuant to a joint powers  
24 agreement between two or more affiliated public employers for  
25 the purpose of administering or providing drug or alcohol

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1 addiction treatment services irrespective of whether the entity  
2 is subsequently taken over by an affiliated public employer,  
3 may purchase service credit for the period of employment  
4 subject to the following conditions:

5 (1) the member pays the association the  
6 purchase cost determined according to Subsection E of this  
7 section;

8 (2) the member has [~~five or more~~] the  
9 applicable minimum number of years of service credit [acquired  
10 as a result of personal service rendered in the employ of an  
11 affiliated public employer] required for normal retirement. As  
12 used in this paragraph, "service credit" means only the service  
13 credit earned by the member during periods of employment with  
14 an affiliated public employer; and

15 (3) the aggregate amount of service credit  
16 purchased pursuant to this subsection does not exceed five  
17 years.

18 D. A member who was appointed to participate in a  
19 cooperative work study training program established jointly by  
20 a state agency and a state post-secondary educational  
21 institution may purchase service credit for the period of  
22 participation subject to the following conditions:

23 (1) the member pays the association the full  
24 actuarial present value of the amount of the increase in the  
25 employee's pension as a consequence of the purchase as

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1 determined by the association;

2 (2) the member pays the full cost of the  
3 purchase within sixty days of the date the member is informed  
4 of the amount of the payment;

5 (3) the member has [~~five or more~~] the  
6 applicable minimum number of years of service credit [acquired  
7 as a result of personal service rendered in the employ of an  
8 affiliated public employer] required for normal retirement. As  
9 used in this paragraph, "service credit" means only the service  
10 credit earned by the member during periods of employment with  
11 an affiliated public employer; and

12 (4) the aggregate amount of service credit  
13 purchased pursuant to this subsection does not exceed five  
14 years.

15 E. Except for service to be used under a state  
16 legislator coverage plan, the purchase cost for each month of  
17 service credit purchased pursuant to the provisions of this  
18 section is equal to the member's final average salary  
19 multiplied by the sum of the member contribution rate and  
20 employer contribution rate, determined in accordance with the  
21 coverage plan applicable to the member at the time of the  
22 written election to purchase. The purchase cost for each year  
23 of service credit to be used under a state legislator coverage  
24 plan is equal to three times the normal member contribution per  
25 year of service credit under the state legislator coverage plan

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1 applicable to the member. Full payment shall be made in a  
2 single lump sum within sixty days of the date the member is  
3 informed of the amount of the payment. The portion of the  
4 purchase cost derived from the employer contribution rate shall  
5 be credited to the employer's accumulation fund and shall not  
6 be paid out of the association in the event of cessation of  
7 membership. In no case shall a member be credited with a month  
8 of service for less than the purchase cost as defined in this  
9 section.

10 F. A member shall be refunded, upon written request  
11 filed with the association, the portion of the purchase cost of  
12 service credit purchased pursuant to this section that the  
13 association determines to have been unnecessary to provide the  
14 member with the maximum pension applicable to the member. The  
15 association shall not pay interest on the portion of the  
16 purchase cost refunded to the member.

17 G. A member of the magistrate retirement system who  
18 during the member's service as a magistrate was eligible to  
19 become a member of the public employees retirement system and  
20 elected not to become a member of that system may purchase  
21 service credit pursuant to the public employees retirement  
22 system for the period for which the magistrate elected not to  
23 become a public employees retirement system member by paying  
24 the amount of the increase in the actuarial present value of  
25 the magistrate pension as a consequence of the purchase as

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1 determined by the association. Full payment shall be made in a  
2 single lump-sum amount in accordance with procedures  
3 established by the retirement board. Except as provided in  
4 Subsection F of this section, seventy-five percent of the  
5 purchase cost shall be considered to be employer contributions  
6 and shall not be refunded to the member in the event of  
7 cessation of membership.

8 H. At any time prior to retirement, any member may  
9 purchase service credit in monthly increments, subject to the  
10 following conditions:

11 (1) the member has ~~[at least five]~~ the  
12 applicable minimum number of years of service credit ~~[acquired~~  
13 ~~as a result of personal service rendered in the employ of an~~  
14 ~~affiliated public employer]~~ required for normal retirement. As  
15 used in this paragraph, "service credit" means only the service  
16 credit earned by the member during periods of employment with  
17 an affiliated public employer;

18 (2) the aggregate amount of service credit  
19 purchased pursuant to this subsection does not exceed one  
20 year;

21 (3) the member pays full actuarial present  
22 value of the amount of the increase in the employee's pension  
23 as a consequence of the purchase as determined by the  
24 association;

25 (4) the member pays the full cost of the

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1 purchase within sixty days of the date the member is informed  
2 of the amount of the payment; and

3 (5) the purchase of service credit under this  
4 subsection cannot be used to determine the final average salary  
5 or the pension factor or be used to exceed the pension maximum.

6 I. A member receiving service credit under this  
7 section who enrolls in the retiree health care authority shall  
8 make contributions pursuant to Subsection C of Section 10-7C-15  
9 NMSA 1978."

10 SECTION 4. Section 10-11-8 NMSA 1978 (being Laws 1987,  
11 Chapter 253, Section 8, as amended) is amended to read:

12 "10-11-8. NORMAL RETIREMENT--RETURN TO EMPLOYMENT--  
13 BENEFITS CONTINUED--[EMPLOYER] CONTRIBUTIONS.--

14 A. A member may retire upon fulfilling the  
15 following requirements prior to the selected date of  
16 retirement:

17 (1) a written application for normal  
18 retirement, in the form prescribed by the association, is filed  
19 with the association;

20 (2) employment is terminated with all  
21 employers covered by any state system or the educational  
22 retirement system;

23 (3) the member selects an effective date of  
24 retirement that is the first day of a calendar month; and

25 (4) the member meets the age and service

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1 credit requirement for normal retirement specified in the  
2 coverage plan applicable to the member.

3 B. The amount of normal retirement pension is  
4 determined in accordance with the coverage plan applicable to  
5 the member.

6 C. Except as provided in Subsection ~~[D]~~ E of this  
7 section, on or after July 1, 2010, a retired member may be  
8 subsequently employed by an affiliated public employer only  
9 pursuant to the following provisions:

10 (1) the retired member has not been employed  
11 as an employee of an affiliated public employer or retained as  
12 an independent contractor by the affiliated public employer  
13 from which the retired member retired for at least twelve  
14 consecutive months from the date of retirement to the  
15 commencement of employment or reemployment with an affiliated  
16 public employer;

17 (2) the previously retired member's pension  
18 shall be suspended upon commencement of the employment;

19 (3) except as provided in Subsection ~~[F]~~ G of  
20 this section, the previously retired member shall not become a  
21 member and thus the previously retired member shall not accrue  
22 ~~[no]~~ service credit and the previously retired member and that  
23 person's affiliated public employer shall not make ~~[no]~~  
24 contributions under any coverage plan pursuant to the Public  
25 Employees Retirement Act; and

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1 (4) upon termination of the subsequent  
2 employment, the previously retired member's pension shall  
3 resume in accordance with the provisions of Subsection A of  
4 this section.

5 D. Notwithstanding the provisions of Subsection B  
6 of Section 10-11-118 NMSA 1978, on and after July 1, 2013, if a  
7 retired member becomes employed with an employer pursuant to  
8 the Educational Retirement Act:

9 (1) the retired member's cost-of-living  
10 pension adjustment shall be suspended upon commencement of the  
11 employment; and

12 (2) upon termination of the employment, the  
13 retired member's suspended cost-of-living pension adjustment  
14 shall be reinstated as provided under Subsection B of Section  
15 10-11-118 NMSA 1978.

16 [~~D.~~] E. The provisions of Subsection C of this  
17 section do not apply to:

18 (1) a retired member employed by the  
19 legislature for legislative session work;

20 (2) a retired member employed temporarily as a  
21 precinct board member for a municipal election or an election  
22 covered by the Election Code; or

23 (3) a retired member who is elected to serve a  
24 term as an elected official; provided that:

25 (a) the retired member files an

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1 irrevocable exemption from membership with the association  
2 within thirty days of taking office; and

3 (b) the irrevocable exemption shall be  
4 for the elected official's term of office.

5 [~~E.~~] F. A retired member who returns to employment  
6 during retirement pursuant to Subsection [~~D~~] E of this section  
7 is entitled to receive retirement benefits but is not entitled  
8 to accrue service credit or to acquire or purchase service  
9 credit in the future for the period of the previously retired  
10 member's reemployment with an affiliated public employer.

11 [~~F.~~] G. At any time during a previously retired  
12 member's subsequent employment pursuant to Subsection C of this  
13 section, the previously retired member may elect to become a  
14 member and the following conditions shall apply:

15 (1) the previously retired member and the  
16 subsequent affiliated public employer shall make the required  
17 employee and employer contributions, and the previously retired  
18 member shall accrue service credit for the period of subsequent  
19 employment; and

20 (2) when the previously retired member  
21 terminates the subsequent employment with an affiliated public  
22 employer, the previously retired member shall retire according  
23 to the provisions of the Public Employees Retirement Act,  
24 subject to the following conditions:

25 (a) payment of the pension shall resume

1 in accordance with the provisions of Subsection A of this  
2 section;

3 (b) unless the previously retired member  
4 accrued at least three years of service credit on account of  
5 the subsequent employment, the recalculation of pension shall:  
6 1) employ the form of payment selected by the previously  
7 retired member at the time of the first retirement; and 2) use  
8 the provisions of the coverage plan applicable to the member on  
9 the date of the first retirement; and

10 (c) the recalculated pension shall not  
11 be less than the amount of the suspended pension.

12 [~~G-~~] H. A previously retired member who returned to  
13 work with an affiliated public employer prior to July 1, 2010  
14 shall be subject to the provisions of this section in effect on  
15 the date the previously retired member returned to work;  
16 provided that:

17 (1) on and after July 1, 2010, the previously  
18 retired member shall pay the employee contribution in an amount  
19 specified in the Public Employees Retirement Act for the  
20 position in which the previously retired member is employed;

21 (2) notwithstanding the provisions of  
22 Subsection B of Section 10-11-118 NMSA 1978, on and after July  
23 1, 2013, the previously retired member's cost-of-living pension  
24 adjustment shall be suspended; and

25 (3) upon termination of the employment with an

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1 affiliated public employer, the previously retired member's  
2 cost-of-living pension adjustment shall be reinstated as  
3 provided in Subsection B of Section 10-11-118 NMSA 1978.

4 [H.] I. The pension of a member who has three or  
5 more years of service credit under each of two or more coverage  
6 plans shall be determined in accordance with the coverage plan  
7 that produces the highest pension. The pension of a member who  
8 has service credit under two or more coverage plans but who has  
9 three or more years of service credit under only one of those  
10 coverage plans shall be determined in accordance with the  
11 coverage plan in which the member has three or more years of  
12 service credit. If the service credit is acquired under two  
13 different coverage plans applied to the same affiliated public  
14 employer as a consequence of an election by the members,  
15 adoption by the affiliated public employer or a change in the  
16 law that results in the application of a coverage plan with a  
17 greater pension, the greater pension shall be paid a member  
18 retiring from the affiliated public employer under which the  
19 change in coverage plan took place regardless of the amount of  
20 service credit under the coverage plan producing the greater  
21 pension; provided that the member has three or more years of  
22 continuous employment with that affiliated public employer  
23 immediately preceding or immediately preceding and immediately  
24 following the date the coverage plan changed. The provisions  
25 of each coverage plan for the purpose of this subsection shall

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1 be those in effect at the time the member ceased to be covered  
2 by the coverage plan. "Service credit", for the purposes of  
3 this subsection, shall be only personal service rendered an  
4 affiliated public employer and credited to the member under the  
5 provisions of Subsection A of Section 10-11-4 NMSA 1978.  
6 Service credited under any other provision of the Public  
7 Employees Retirement Act shall not be used to satisfy the  
8 three-year service credit requirement of this subsection."

9 SECTION 5. Section 10-11-10.1 NMSA 1978 (being Laws 1993,  
10 Chapter 160, Section 3) is amended to read:

11 "10-11-10.1. DISABILITY RETIREMENT.--

12 A. There is created a "disability review committee"  
13 of the retirement board. The disability review committee shall  
14 consist of at least three but not more than five retirement  
15 board members and at least one physician licensed in New Mexico  
16 appointed by the retirement board. The disability review  
17 committee shall review all applications for disability  
18 retirement, review reports required under this section and  
19 approve or deny applications for disability retirement.

20 B. The disability review committee may retire a  
21 member on account of disability before the time the member  
22 would otherwise be eligible for retirement if the following  
23 requirements are satisfied:

24 (1) the member applying for disability  
25 retirement was a member at the time the disability was

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1 incurred;

2 (2) a written application for disability  
3 retirement, in the form and containing the information  
4 prescribed by the association, has been filed with the  
5 association by the member or by the member's affiliated public  
6 employer;

7 (3) employment is terminated within forty-five  
8 days of the date of approval of the application for disability  
9 retirement;

10 (4) if:

11 (a) the member has [~~five or more~~] the  
12 applicable minimum number of years of service credit required  
13 for normal retirement. For the purposes of this subparagraph,  
14 "service credit" means only the service credit earned by the  
15 member during periods of employment with an affiliated public  
16 employer; or

17 (b) the disability review committee  
18 finds the disability to have been the natural and proximate  
19 result of causes arising solely and exclusively out of and in  
20 the course of the member's performance of duty with an  
21 affiliated public employer;

22 (5) the member submits to all medical  
23 examinations and tests and furnishes copies of all medical  
24 reports requested by the association or disability review  
25 committee; provided that if the disability review committee

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1 requires independent medical or other examinations, those  
2 examinations shall be performed at the association's expense;  
3 and

4 (6) the disability review committee makes the  
5 determination required under Subsection C of this section.

6 C. The disability review committee shall review  
7 applications for disability retirement to determine whether:

8 (1) if the member is a currently employed,  
9 contributing employee of an affiliated public employer:

10 (a) the member is mentally or physically  
11 totally incapacitated for continued employment with an  
12 affiliated public employer; and

13 (b) the incapacity is likely to be  
14 permanent; or

15 (2) if the member is not a currently employed,  
16 contributing employee of an affiliated public employer:

17 (a) the member is mentally or physically  
18 totally incapacitated for any gainful employment; and

19 (b) the incapacity is likely to be  
20 permanent.

21 D. The disability retirement pension shall be paid  
22 for a period of one year after approval of the initial  
23 application unless the disability review committee for good  
24 cause shown grants disability retirement for a longer period of  
25 time. After approval, payment shall be effective commencing

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1 the first of the month following submission of the initial  
2 application and termination of employment.

3 E. At the end of the first year that a disability  
4 retirement pension is paid, the disability retired member's  
5 condition shall be reevaluated to determine eligibility for  
6 continuation of payment of a disability retirement pension. If  
7 the disability retired member has applied for disability  
8 benefits under the federal social security program, [he] the  
9 member shall submit copies of [~~his~~] the member's application.  
10 The association shall continue payment of the state disability  
11 retirement pension if the disability retired member presents a  
12 written final determination from the federal social security  
13 administration that the disability retired member qualifies,  
14 based on the same [~~condition or~~] conditions as presented in the  
15 application for a state disability retirement pension, for  
16 federal disability benefits.

17 F. If the disability retired member applied for  
18 federal disability benefits within thirty days of receiving  
19 approval for a state disability retirement pension but the  
20 federal social security administration has not made a written  
21 final determination of entitlement by the end of the first year  
22 that the disability retired member has received a state  
23 disability retirement pension, eligibility for continued  
24 payment of the state disability retirement pension shall be  
25 determined by the disability review committee. The state

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1 disability retirement pension shall be discontinued if the  
2 disability review committee finds that the disability retired  
3 member is capable of any gainful employment.

4 G. The disability retired member shall notify the  
5 association of the federal social security administration's  
6 final determination within fifteen working days of the date of  
7 issuance of the final written determination. If the federal  
8 social security administration denies federal disability  
9 benefits, the state disability retirement pension shall be  
10 discontinued effective the first of the month following the  
11 month in which the written final determination of the federal  
12 social security administration was issued. If the federal  
13 social security administration grants federal disability  
14 benefits, the state disability retirement pension shall be  
15 continued so long as the disability retired member provides  
16 annually, on or before the anniversary date of commencement of  
17 payment of the state disability retirement pension, written  
18 evidence of continuation of payment of federal disability  
19 benefits. If the disability review committee has denied  
20 continuation of payment of a state disability retirement  
21 pension and the disability retired member is later granted  
22 federal disability benefits, the state disability retirement  
23 pension shall be reinstated effective the first of the month  
24 following the month in which the state disability retirement  
25 pension was discontinued.

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1           H. If, at the time of reevaluation under Subsection  
2 E of this section, the disability retired member has applied  
3 for and has qualified for federal disability benefits, but for  
4 a different condition than was reviewed by the disability  
5 review committee, the disability review committee shall review  
6 the disability retired member's condition as described by the  
7 application for federal disability benefits. The process set  
8 forth in Subsection I of this section shall be followed to  
9 determine whether payment of a state disability retirement  
10 pension should be continued.

11           I. If the disability retired member is not eligible  
12 to apply for federal disability benefits or is not a member of  
13 the federal social security program, the disability review  
14 committee annually shall determine eligibility for continuation  
15 of payment of a state disability retirement pension. To make  
16 its determination of continued entitlement, the disability  
17 review committee shall use the guidelines established by the  
18 federal social security administration for determination of  
19 eligibility for federal disability benefits. The determination  
20 shall be based on:

- 21                   (1) the medical and all other information  
22 provided by the disability retired member;
- 23                   (2) at least one independent medical or other  
24 examination performed at the association's expense if required  
25 by the disability review committee; and

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1 (3) any [~~and all~~] medical, vocational or other  
2 information related to the disability compiled during the  
3 period of disability by any medical or other practitioner  
4 consulted by the disability retired member regarding the  
5 disability which was not paid for by the association.

6 J. Each disability retired member annually shall  
7 submit to the association, prior to July 1, a statement of  
8 earnings from gainful employment during the preceding calendar  
9 year. The statement of earnings shall be in the form  
10 prescribed by the association. Payment of the state disability  
11 retirement pension shall be discontinued if the amount of  
12 earnings from gainful employment is one hundred percent or more  
13 of the amount [~~which~~] that causes a decrease or suspension of  
14 an old age benefit under the federal social security program,  
15 or fifteen thousand dollars (\$15,000), whichever is less.  
16 Payment of the state disability retirement pension shall be  
17 discontinued starting with the month of July if the statement  
18 of earnings is not received by the association prior to July 1.

19 K. Upon prior approval by the association, a  
20 disability retired member may return to employment with an  
21 affiliated public employer or other employer for a trial period  
22 not to exceed one hundred twenty calendar days without becoming  
23 a member or causing suspension or discontinuation of payment of  
24 a state disability retirement pension. If the trial period of  
25 employment is successfully completed, payment of the disability

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1 retirement pension shall be discontinued beginning the first of  
2 the month following the one hundred twentieth day of the trial  
3 period of employment. Trial periods of employment shall be  
4 limited to two in any five-year period following disability  
5 retirement.

6 L. If the disability retired member meets the  
7 minimum age and service credit requirements for normal  
8 retirement while receiving a disability retirement pension, the  
9 disability retirement pension shall be reclassified by the  
10 association as a normal retirement pension and no further  
11 determinations of eligibility for continuation of payment of  
12 the disability retirement pension shall be made. Upon  
13 reclassification as a normal retirement pension, all the  
14 provisions of ~~[this]~~ the Public Employees Retirement Act  
15 regarding normal retirement shall be applicable.

16 M. If the disability review committee found the  
17 disability to be the natural and proximate result of causes  
18 arising solely and exclusively out of and in the course of the  
19 member's employment with an affiliated public employer, service  
20 credit shall continue to accrue during the disability  
21 retirement period as though the disability retired member was  
22 actively employed.

23 N. The amount of a disability retirement pension  
24 shall be calculated according to the provisions of the coverage  
25 plan applicable to the member at the time of application,

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1 except that the service credit requirement shall be waived and  
2 the actual amount of service credit shall be used instead. If  
3 the disability is the natural and proximate result of causes  
4 arising solely and exclusively out of and in the course of the  
5 member's performance of duty for an affiliated public employer,  
6 the amount of disability retirement pension shall be calculated  
7 according to the provisions of the coverage plan applicable to  
8 the member, imputing the amount of service credit necessary to  
9 meet the minimum service credit requirements for normal  
10 retirement.

11 0. For the purposes of this section, the following  
12 definitions apply:

13 (1) "continued employment with the affiliated  
14 public employer" means the ability of the member to fulfill the  
15 required duties of the position in which the member was last  
16 employed by [~~his~~] an affiliated public employer;

17 (2) "gainful employment" means remunerative  
18 employment or self-employment that is commensurate with the  
19 applicant's background, age, education, experience and any new  
20 skills or training the applicant may have acquired after  
21 terminating public employment or incurring the disability;

22 (3) "state disability retirement pension"  
23 means the pension paid pursuant to the provisions of this  
24 section; and

25 (4) "federal disability benefits" means those

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1 benefits paid by the federal social security program."

2 SECTION 6. Section 10-11-14.5 NMSA 1978 (being Laws 1993,  
3 Chapter 160, Section 4, as amended) is amended to read:

4 "10-11-14.5. DEATH BEFORE RETIREMENT--SURVIVOR PENSIONS.--

5 A. A survivor pension may be paid to certain  
6 persons related to or designated by a member who dies before  
7 normal or disability retirement if a written application for  
8 the pension, in the form prescribed by the association, is  
9 filed with the association by the potential survivor  
10 beneficiary or beneficiaries within one year of the death of  
11 the member. Applications may be filed on behalf of the  
12 potential survivor beneficiary or beneficiaries or by a person  
13 legally authorized to represent them.

14 B. If there is no designated survivor beneficiary  
15 and the retirement board finds the death to have been the  
16 natural and proximate result of causes arising solely and  
17 exclusively out of and in the course of the member's  
18 performance of duty with an affiliated public employer, a  
19 survivor pension shall be payable to the eligible surviving  
20 spouse. The amount of the survivor pension shall be the  
21 greater of:

22 (1) the amount as calculated under the  
23 coverage plan applicable to the deceased member at the time of  
24 death as though the deceased member had retired the day  
25 preceding death under form of payment B using the actual amount

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1 of service credit attributable to the deceased member at the  
2 time of death; or

3 (2) fifty percent of the deceased member's  
4 final average salary.

5 C. A survivor pension shall also be payable to  
6 eligible surviving children if there is no designated survivor  
7 beneficiary and the retirement board finds the death to have  
8 been the natural and proximate result of causes arising solely  
9 and exclusively out of and in the course of the member's  
10 performance of duty with an affiliated public employer. The  
11 total amount of survivor pension payable for all eligible  
12 surviving children shall be either:

13 (1) fifty percent of the deceased member's  
14 final average salary if an eligible surviving spouse is not  
15 paid a pension; or

16 (2) twenty-five percent of the deceased  
17 member's final average salary if an eligible surviving spouse  
18 is paid a pension.

19 The total amount of survivor pension shall be divided  
20 equally among all eligible surviving children. If there is  
21 only one eligible child, the amount of pension shall be twenty-  
22 five percent of the deceased member's final average salary.

23 D. If the member had [~~five or more~~] the applicable  
24 minimum number of years of service credit required for normal  
25 retirement, but the retirement board did not find the death to

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1 have been the natural and proximate result of causes arising  
2 solely and exclusively out of and in the course of the member's  
3 performance of duty with an affiliated public employer and  
4 there is no designated survivor beneficiary, a survivor pension  
5 shall be payable to the eligible surviving spouse. The amount  
6 of the survivor pension shall be the greater of:

7 (1) the amount as calculated under the  
8 coverage plan applicable to the deceased member at the time of  
9 death as though the deceased member had retired the day  
10 preceding death under form of payment B using the total amount  
11 of actual service credit attributable to the deceased member at  
12 the time of death; or

13 (2) thirty percent of the deceased member's  
14 final average salary.

15 E. If the member had ~~[five or more]~~ the applicable  
16 minimum number of years of service credit required for normal  
17 retirement, but the retirement board did not find the death to  
18 have been the natural and proximate result of causes arising  
19 solely and exclusively out of and in the course of the member's  
20 performance of duty with an affiliated public employer and  
21 there is no designated survivor beneficiary, and if there is no  
22 eligible surviving spouse at the time of death, a survivor  
23 pension shall be payable to and divided equally among all  
24 eligible surviving children, if any. The total amount of  
25 survivor pension payable for all eligible surviving children

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1 shall be the greater of:

2 (1) the amount as calculated under the  
3 coverage plan applicable to the deceased member at the time of  
4 death as though the deceased member had retired the day  
5 preceding death under form of payment B with the oldest  
6 eligible surviving child as the survivor beneficiary using the  
7 total amount of actual service credit attributable to the  
8 deceased member at the time of death; or

9 (2) thirty percent of the deceased member's  
10 final average salary.

11 F. An eligible surviving spouse is the spouse to  
12 whom the deceased member was married at the time of death. An  
13 eligible surviving child is a child under the age of eighteen  
14 years and who is an unmarried, natural or adopted child of the  
15 deceased member.

16 G. An eligible surviving spouse's pension shall  
17 terminate upon death. An eligible surviving child's pension  
18 shall terminate upon death or marriage or reaching age eighteen  
19 years, whichever comes first.

20 H. If there is no designated survivor beneficiary  
21 and there is no eligible surviving child, the eligible  
22 surviving spouse may elect to be refunded the deceased member's  
23 accumulated member contributions instead of receiving a  
24 survivor pension.

25 I. A member may designate a survivor beneficiary to

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1 receive a pre-retirement survivor pension, subject to the  
2 following conditions:

3 (1) a written designation, in the form  
4 prescribed by the association, is filed by the member with the  
5 association;

6 (2) if the member is married at the time of  
7 designation, the designation shall only be made with the  
8 consent of the member's spouse, in the form prescribed by the  
9 association;

10 (3) if the member is married subsequent to the  
11 time of designation, any prior designations shall automatically  
12 be revoked upon the date of the marriage;

13 (4) if the member is divorced subsequent to  
14 the time of designation, any prior designation of the former  
15 spouse as survivor beneficiary shall automatically be revoked  
16 upon the date of divorce; and

17 (5) a designation of survivor beneficiary may  
18 be changed, with the member's spouse's consent if the member is  
19 married, by the member at any time prior to the member's death.

20 J. If there is a designated survivor beneficiary  
21 and the retirement board finds the death to have been the  
22 natural and proximate result of causes arising solely and  
23 exclusively out of and in the course of the member's  
24 performance of duty with an affiliated public employer, a  
25 survivor pension shall be payable to the designated survivor

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1 beneficiary. The amount of the survivor pension shall be the  
2 greater of:

3 (1) the amount as calculated under the  
4 coverage plan applicable to the deceased member at the time of  
5 death as though the deceased member had retired the day  
6 preceding death under form of payment B using the actual amount  
7 of service credit attributable to the member at the time of  
8 death; or

9 (2) fifty percent of the deceased member's  
10 final average salary.

11 K. If there is a designated survivor beneficiary,  
12 if the member had [~~five or more~~] the applicable minimum number  
13 of years of service credit required for normal retirement and  
14 if the retirement board did not find the death to have been the  
15 natural and proximate result of causes arising solely and  
16 exclusively out of and in the course of the member's  
17 performance of duty with an affiliated public employer, a  
18 survivor pension shall be payable to the designated survivor  
19 beneficiary. The amount of the survivor pension shall be the  
20 greater of:

21 (1) the amount as calculated under the  
22 coverage plan applicable to the deceased member at the time of  
23 death as though the deceased member had retired the day  
24 preceding death under form of payment B using the actual amount  
25 of service credit attributable to the member at the time of

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1 death; or

2 (2) thirty percent of the deceased member's  
3 final average salary.

4 L. If all pension payments permanently terminate  
5 before there is paid an aggregate amount equal to the deceased  
6 member's accumulated member contributions at time of death, the  
7 difference between the amount of accumulated member  
8 contributions and the aggregate amount of pension paid shall be  
9 paid to the deceased member's refund beneficiary. If no refund  
10 beneficiary survives the survivor beneficiary, the difference  
11 shall be paid to the estate of the deceased member.

12 M. For purposes of this section, "service credit"  
13 means only the service credit earned by a member during periods  
14 of employment with an affiliated public employer."

15 SECTION 7. Section 10-11-14.6 NMSA 1978 (being Laws 2009,  
16 Chapter 288, Section 12) is amended to read:

17 "10-11-14.6. CALCULATION OF FINAL AVERAGE SALARY.--Under  
18 [~~each coverage plan of~~] the Public Employees Retirement Act:

19 A. for a member who was a member on June 30, 2013,  
20 the final average salary is one thirty-sixth of the greatest  
21 aggregate amount of salary paid a member for thirty-six  
22 consecutive, but not necessarily continuous, months of service  
23 credit; and

24 B. for a member who was not a member on June 30,  
25 2013, the final average salary is one-sixtieth of the greatest

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1 aggregate amount of salary paid a member for sixty consecutive,  
2 but not necessarily continuous, months of service credit."

3 SECTION 8. Section 10-11-26.1 NMSA 1978 (being Laws 1994,  
4 Chapter 128, Section 2) is amended to read:

5 "10-11-26.1. STATE GENERAL MEMBER COVERAGE PLAN 3--  
6 APPLICABILITY.--State general member coverage plan 3 is  
7 applicable to peace officer members and is applicable to state  
8 general members in the first full pay period after July 1, 1995  
9 if the retirement board certifies to the secretary of state  
10 that a majority of the members voting of those members to be  
11 covered under state general member coverage plan 3 has voted to  
12 approve adoption of this plan at an election conducted pursuant  
13 to Laws 1994, Chapter 128, Section 17 [of this act]."

14 SECTION 9. Section 10-11-26.2 NMSA 1978 (being Laws 1994,  
15 Chapter 128, Section 3, as amended) is amended to read:

16 "10-11-26.2. STATE GENERAL MEMBER COVERAGE PLAN 3--AGE  
17 AND SERVICE CREDIT REQUIREMENTS FOR NORMAL RETIREMENT.--

18 A. Under state general member coverage plan 3:

19 (1) for a member who [~~is~~] on or before June  
20 30, 2013 was a peace officer and for a member who is not a  
21 peace officer but was a retired member or a member on June 30,  
22 [~~2010~~] 2013, the age and service credit requirements for normal  
23 retirement are:

24 (a) age sixty-five years or older and  
25 five or more years of service credit;

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1 (b) age sixty-four years and eight or  
2 more years of service credit;

3 (c) age sixty-three years and eleven or  
4 more years of service credit;

5 (d) age sixty-two years and fourteen or  
6 more years of service credit;

7 (e) age sixty-one years and seventeen or  
8 more years of service credit;

9 (f) age sixty years and twenty or more  
10 years of service credit; ~~and~~ or

11 (g) any age and twenty-five or more  
12 years of service credit; ~~and~~

13 (2) for a member who is not a peace officer  
14 and was not a retired member or a member on June 30, ~~2010~~  
15 2013, the age and service requirements for normal retirement  
16 are:

17 (a) age ~~[sixty-seven]~~ sixty-five years  
18 or older and ~~[five]~~ eight or more years of service credit; or

19 (b) any age if the member has eight or  
20 more years of service credit and the sum of the member's age  
21 and years of service credit equals at least [eighty; or

22 ~~(c) any age and thirty or more years of~~  
23 ~~service credit] eighty-five; and~~

24 (3) for a member who on or after July 1, 2013  
25 becomes a peace officer and who was not a retired member or a

1 member on June 30, 2013, the age and service requirements for  
2 normal retirement are:

3 (a) age sixty years or older and six or  
4 more years of service credit; or

5 (b) any age if the member has six or  
6 more years of service credit and the sum of the member's age  
7 and years of service credit equals at least seventy-five.

8 B. As used in this section, "peace officer" means  
9 any employee of the state with a duty to maintain public order  
10 or to make arrests for crime, whether that duty extends to all  
11 crimes or is limited to specific crimes, and who is not  
12 specifically covered by another coverage plan."

13 SECTION 10. Section 10-11-26.3 NMSA 1978 (being Laws  
14 1994, Chapter 128, Section 4) is amended to read:

15 "10-11-26.3. STATE GENERAL MEMBER COVERAGE PLAN 3--AMOUNT  
16 OF PENSION--FORM OF PAYMENT A.--Under state general member  
17 coverage plan 3:

18 A. for a member with age and service requirements  
19 provided under Paragraph (1) or (3) of Subsection A of Section  
20 10-11-26.2 NMSA 1978, the amount of pension under form of  
21 payment A is equal to three percent of final average salary  
22 multiplied by service credit. The amount shall not exceed  
23 [eighty] ninety percent of the final average salary; and

24 B. for a member with age and service requirements  
25 provided under Paragraph (2) of Subsection A of Section

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1 10-11-26.2 NMSA 1978, the amount of pension under form of  
2 payment A is equal to two and one-half percent of the final  
3 average salary multiplied by service credit. The amount shall  
4 not exceed ninety percent of the final average salary."

5 SECTION 11. Section 10-11-26.5 NMSA 1978 (being Laws  
6 1994, Chapter 128, Section 6, as amended) is amended to read:

7 "10-11-26.5. STATE GENERAL MEMBER COVERAGE PLAN 3--MEMBER  
8 CONTRIBUTION RATE.--A member under state general member  
9 coverage plan 3 shall contribute [~~seven and forty-two~~  
10 ~~hundredths~~] eight and ninety-two hundredths percent of salary  
11 starting with the first full pay period that ends within the  
12 calendar month in which state general member coverage plan 3  
13 becomes applicable to the member [~~except that for members whose~~  
14 ~~annual salary is greater than twenty thousand dollars~~  
15 ~~(\$20,000):~~

16 A. ~~from July 1, 2009 through June 30, 2011, the~~  
17 ~~member contribution rate shall be eight and ninety-two~~  
18 ~~hundredths percent of salary;~~

19 B. ~~from July 1, 2011 through June 30, 2012, the~~  
20 ~~member contribution rate shall be ten and sixty-seven~~  
21 ~~hundredths percent of salary; and~~

22 C. ~~from July 1, 2012 through June 30, 2013, the~~  
23 ~~member contribution rate shall be eight and ninety-two~~  
24 ~~hundredths percent of salary]."~~

25 SECTION 12. Section 10-11-26.6 NMSA 1978 (being Laws

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1 1994, Chapter 128, Section 7, as amended) is amended to read:

2 "10-11-26.6. STATE GENERAL MEMBER COVERAGE PLAN 3--STATE  
3 CONTRIBUTION RATE.--The state shall contribute [~~sixteen and~~  
4 ~~fifty-nine hundredths~~] eighteen and nine-hundredths percent of  
5 the salary of each member covered by state general member  
6 coverage plan 3 starting with the first pay period that ends  
7 within the calendar month in which state general member  
8 coverage plan 3 becomes applicable to the member, except that  
9 [~~for members whose annual salary is greater than twenty~~  
10 ~~thousand dollars (\$20,000):~~

11 ~~A. from July 1, 2009 through June 30, 2011, the~~  
12 ~~state contribution rate shall be fifteen and nine-hundredths~~  
13 ~~percent of the salary of each member;~~

14 ~~B. from July 1, 2011 through June 30, 2012, the~~  
15 ~~state contribution rate shall be thirteen and thirty-four~~  
16 ~~hundredths percent of the salary of each member; and~~

17 ~~C. from July 1, 2012 through June 30, 2013, the~~  
18 ~~state contribution rate shall be fifteen and nine-hundredths~~  
19 ~~percent of the salary of each member]:~~

20 A. from July 1, 2013 through June 30, 2014, the  
21 state contribution rate shall be sixteen and fifty-nine  
22 hundredths percent of the salary of each member;

23 B. from July 1, 2014 through June 30, 2015, the  
24 state contribution rate shall be seventeen and nine-hundredths  
25 percent of the salary of each member; and

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1           C. from July 1, 2015 through June 30, 2016, the  
2 state contribution rate shall be seventeen and fifty-nine  
3 hundredths percent of the salary of each member."

4           SECTION 13. Section 10-11-27 NMSA 1978 (being Laws 1987,  
5 Chapter 253, Section 27, as amended by Laws 2003, Chapter 268,  
6 Section 9 and by Laws 2003, Chapter 269, Section 1) is amended  
7 to read:

8           "10-11-27. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
9 OFFICER MEMBER COVERAGE PLAN 1--~~APPLICABILITY~~--CREDITED  
10 SERVICE.--

11           A. State police member and adult correctional  
12 officer member coverage plan 1 is applicable to state police  
13 members who are not specifically covered by another coverage  
14 plan and to adult correctional officer members.

15           B. The credited service of a state police member  
16 who was a retired member or a member on June 30, 2013 and who  
17 has held the permanent rank of patrolman, sergeant, lieutenant  
18 or captain and does not hold an exempt rank or who is assigned  
19 to the aircraft division as a pilot, or of an adult  
20 correctional officer member, shall have actual credited service  
21 increased by twenty percent for the purposes of state police  
22 member and adult correctional officer member coverage plan 1.

23           C. Except as provided in Subsection B of this  
24 section, the credited service of a member covered under state  
25 police member and adult correctional officer member coverage

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1 plan 1 shall be credited as provided in Section 10-11-4 NMSA  
2 1978.

3 [B-] D. State police member and adult correctional  
4 officer member coverage plan 1 is applicable to adult  
5 correctional officer members in the first full pay period after  
6 July 1, 2004 if the retirement board certifies to the secretary  
7 of state that, of those adult correctional officer members to  
8 be covered under state police member and adult correctional  
9 officer member coverage plan 1, a majority of the members  
10 voting have voted to approve adoption of that plan at an  
11 election conducted pursuant to [~~Section 16 of this 2003 act~~]  
12 Laws 2003, Chapter 268, Section 16."

13 SECTION 14. Section 10-11-27.2 NMSA 1978 (being Laws  
14 2003, Chapter 269, Section 2) is amended to read:

15 "10-11-27.2. LEGISLATIVE FINDINGS.--The legislature finds  
16 that:

17 A. it is appropriate to recognize the  
18 professionalism and dedication of state police officers, who  
19 provide an essential service to the citizens of New Mexico;

20 B. it is appropriate to recognize the hazardous  
21 nature of the work performed by state police officers;

22 C. the spirit of what it takes to be a state police  
23 officer is personified by Sergeant Brent H. Bateman, who served  
24 with honor as a state police officer for twenty-two years.

25 Sergeant Bateman became ill days after his retirement and

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1 passed away a short six months following retirement; and

2 D. the twenty percent credit [~~towards~~] toward  
3 actual service, as provided in Subsection B of Section 10-11-27  
4 NMSA 1978 under state police member coverage plan 1, is  
5 dedicated to Sergeant Brent H. Bateman and all other officers  
6 who have served, and who do serve, as New Mexico state police  
7 officers."

8 SECTION 15. Section 10-11-28 NMSA 1978 (being Laws 1987,  
9 Chapter 253, Section 28, as amended) is amended to read:

10 "10-11-28. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
11 OFFICER MEMBER COVERAGE PLAN 1--AGE AND SERVICE REQUIREMENTS  
12 FOR NORMAL RETIREMENT.--Under state police member and adult  
13 correctional officer member coverage plan 1:

14 A. for a member who was a retired member or a  
15 member on June 30, 2013, the age and service requirements for  
16 normal retirement are:

17 [~~A.~~] (1) age sixty-five years or older and  
18 five or more years of credited service;

19 [~~B.~~] (2) age sixty-four years and eight or  
20 more years of credited service;

21 [~~C.~~] (3) age sixty-three years and eleven or  
22 more years of credited service;

23 [~~D.~~] (4) age sixty-two years and fourteen or  
24 more years of credited service;

25 [~~E.~~] (5) age sixty-one years and seventeen or

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1 more years of credited service;

2 [F.] (6) age sixty years and twenty or more  
3 years of credited service; or

4 [G.] (7) any age and twenty-five or more years  
5 of credited service; and

6 B. for a member who was not a retired member or a  
7 member on June 30, 2013, the age and service requirements for  
8 normal retirement are:

9 (1) age sixty years or older and six or more  
10 years of service credit; or

11 (2) any age if the member has six or more  
12 years of service credit and the sum of the member's age and  
13 years of service credit equals at least seventy-five."

14 SECTION 16. Section 10-11-29 NMSA 1978 (being Laws 1987,  
15 Chapter 253, Section 29, as amended) is amended to read:

16 "10-11-29. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
17 OFFICER MEMBER COVERAGE PLAN 1--AMOUNT OF PENSION--FORM OF  
18 PAYMENT A.--Under state police member and adult correctional  
19 officer member coverage plan 1, the amount of pension under  
20 form of payment A is equal to three percent of final average  
21 salary multiplied by credited service. The amount shall not  
22 exceed [eighty] ninety percent of the final average salary."

23 SECTION 17. Section 10-11-31 NMSA 1978 (being Laws 1987,  
24 Chapter 253, Section 31, as amended) is amended to read:

25 "10-11-31. STATE POLICE MEMBER AND ADULT CORRECTIONAL

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1 OFFICER MEMBER COVERAGE PLAN 1--MEMBER CONTRIBUTION RATE.--A  
2 member under state police member and adult correctional officer  
3 member coverage plan 1 shall contribute [~~seven and six-tenths~~]  
4 nine and one-tenth percent of salary [~~except that for members~~  
5 ~~whose annual salary is greater than twenty thousand dollars~~  
6 ~~(\$20,000):~~

7 A. ~~from July 1, 2009 through June 30, 2011, the~~  
8 ~~member contribution rate shall be nine and one-tenth percent of~~  
9 ~~salary;~~

10 B. ~~from July 1, 2011 through June 30, 2012, the~~  
11 ~~member contribution rate shall be ten and eighty-five~~  
12 ~~hundredths percent of salary; and~~

13 C. ~~from July 1, 2012 through June 30, 2013, the~~  
14 ~~member contribution rate shall be nine and one-tenth percent of~~  
15 ~~salary]."~~

16 SECTION 18. Section 10-11-32 NMSA 1978 (being Laws 1987,  
17 Chapter 253, Section 32, as amended) is amended to read:

18 "10-11-32. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
19 OFFICER MEMBER COVERAGE PLAN 1--STATE CONTRIBUTION RATE.--The  
20 state shall contribute [~~twenty-five and one-tenth~~] twenty-six  
21 and six-tenths percent of the salary of each member under state  
22 police member and adult correctional officer member coverage  
23 plan 1, except that [~~for members whose annual salary is greater~~  
24 ~~than twenty thousand dollars (\$20,000):~~

25 A. ~~from July 1, 2009 through June 30, 2011, the~~

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1 ~~state contribution rate shall be twenty-three and six-tenths~~  
2 ~~percent of the salary of each member;~~

3 ~~B. from July 1, 2011 through June 30, 2012, the~~  
4 ~~state contribution rate shall be twenty-one and eighty-five~~  
5 ~~hundredths percent of the salary of each member; and~~

6 ~~C. from July 1, 2012 through June 30, 2013, the~~  
7 ~~state contribution rate shall be twenty-three and six-tenths~~  
8 ~~percent of the salary of each member]:~~

9 A. from July 1, 2013 through June 30, 2014, the  
10 state contribution rate shall be twenty-five and one-tenth  
11 percent of the salary of each member;

12 B. from July 1, 2014 through June 30, 2015, the  
13 state contribution rate shall be twenty-five and six-tenths  
14 percent of the salary of each member; and

15 C. from July 1, 2015 through June 30, 2016, the  
16 state contribution rate shall be twenty-six and one-tenth  
17 percent of the salary of each member."

18 SECTION 19. Section 10-11-33 NMSA 1978 (being Laws 1987,  
19 Chapter 253, Section 33) is amended to read:

20 "10-11-33. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
21 OFFICER MEMBER COVERAGE PLAN 1--APPLICABILITY.--[State  
22 ~~hazardous duty~~] Juvenile correctional officer member coverage  
23 plan 1 is applicable to [state hazardous duty] juvenile  
24 correctional officer members who are not specifically covered  
25 by another coverage plan."

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1 SECTION 20. Section 10-11-34 NMSA 1978 (being Laws 1987,  
2 Chapter 253, Section 34) is amended to read:

3 "10-11-34. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
4 OFFICER MEMBER COVERAGE PLAN 1--AGE AND SERVICE REQUIREMENTS  
5 FOR NORMAL RETIREMENT.--Under [~~state hazardous duty~~] juvenile  
6 correctional officer member coverage plan 1, the age and  
7 service requirements for normal retirement are:

- 8 A. age sixty-five years or older and five or more  
9 years of credited service;
- 10 B. age sixty-four years and eight or more years of  
11 credited service;
- 12 C. age sixty-three years and eleven or more years  
13 of credited service;
- 14 D. age sixty-two years and fourteen or more years  
15 of credited service;
- 16 E. age sixty-one years and seventeen or more years  
17 of credited service;
- 18 F. age sixty years and twenty or more years of  
19 credited service; or
- 20 G. any age and twenty-five or more years of  
21 credited service."

22 SECTION 21. Section 10-11-35 NMSA 1978 (being Laws 1987,  
23 Chapter 253, Section 35) is amended to read:

24 "10-11-35. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
25 OFFICER MEMBER COVERAGE PLAN 1--AMOUNT OF PENSION--FORM OF

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1 PAYMENT A.--Under [~~state hazardous duty~~] juvenile correctional  
2 officer member coverage plan 1, the amount of pension under  
3 form of payment A is equal to two and one-half percent of final  
4 average salary multiplied by credited service. The amount  
5 shall not exceed one hundred percent of the final average  
6 salary."

7 SECTION 22. Section 10-11-37 NMSA 1978 (being Laws 1987,  
8 Chapter 253, Section 37) is amended to read:

9 "10-11-37. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
10 OFFICER MEMBER COVERAGE PLAN 1--MEMBER CONTRIBUTION RATE.--A  
11 member under [~~state hazardous duty~~] juvenile correctional  
12 officer member coverage plan 1 shall contribute four percent of  
13 salary."

14 SECTION 23. Section 10-11-38 NMSA 1978 (being Laws 1987,  
15 Chapter 253, Section 38) is amended to read:

16 "10-11-38. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
17 OFFICER MEMBER COVERAGE PLAN 1--STATE CONTRIBUTION RATE.--The  
18 state shall contribute twenty-one and five-tenths percent of  
19 the salary of each member under [~~state hazardous duty~~] juvenile  
20 correctional officer member coverage plan 1."

21 SECTION 24. Section 10-11-38.1 NMSA 1978 (being Laws  
22 1994, Chapter 128, Section 9) is amended to read:

23 "10-11-38.1. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
24 OFFICER MEMBER COVERAGE PLAN 2--APPLICABILITY.--[~~State~~  
25 ~~hazardous duty~~] Juvenile correctional officer member coverage

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1 plan 2 is applicable to ~~[state hazardous duty]~~ juvenile  
2 correctional officer members in the first full pay period after  
3 July 1, 1995 if the retirement board certifies to the secretary  
4 of state that a majority of the members voting of those members  
5 to be covered under ~~[state hazardous duty]~~ juvenile  
6 correctional officer member coverage plan 2 has voted to  
7 approve adoption of this plan at an election conducted pursuant  
8 to Laws 1994, Chapter 128, Section 17 ~~[of this act]~~."

9 SECTION 25. Section 10-11-38.2 NMSA 1978 (being Laws  
10 1994, Chapter 128, Section 10) is amended to read:

11 "10-11-38.2. ~~[STATE HAZARDOUS DUTY]~~ JUVENILE CORRECTIONAL  
12 OFFICER MEMBER COVERAGE PLAN 2--AGE AND SERVICE CREDIT  
13 REQUIREMENTS FOR NORMAL RETIREMENT.--Under ~~[state hazardous~~  
14 ~~duty]~~ juvenile correctional officer member coverage plan 2:

15 A. for a member who was a retired member or a  
16 member on June 30, 2013, the age and service credit  
17 requirements for normal retirement are:

18 [A.] (1) age sixty-five years or older and  
19 five or more years of service credit;

20 [B.] (2) age sixty-four years and eight or  
21 more years of service credit;

22 [C.] (3) age sixty-three years and eleven or  
23 more years of service credit;

24 [D.] (4) age sixty-two years and fourteen or  
25 more years of service credit;

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1                   [~~E.~~] (5) age sixty-one years and seventeen or  
2 more years of service credit;

3                   [~~F.~~] (6) age sixty years and twenty or more  
4 years of service credit; and

5                   [~~G.~~] (7) any age and twenty-five or more years  
6 of service credit; and

7                   B. for a member who was not a retired member or a  
8 member on June 30, 2013, the age and service requirements for  
9 normal retirement are:

10                   (1) age sixty years or older and six or more  
11 years of service credit; or

12                   (2) any age if the member has six or more  
13 years of service credit and the sum of the member's age and  
14 years of service credit equals at least seventy-five."

15                   SECTION 26. Section 10-11-38.3 NMSA 1978 (being Laws  
16 1994, Chapter 128, Section 11) is amended to read:

17                   "10-11-38.3. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
18 OFFICER MEMBER COVERAGE PLAN 2--AMOUNT OF PENSION--FORM OF  
19 PAYMENT A.--Under [~~state hazardous duty~~] juvenile correctional  
20 officer member coverage plan 2, the amount of pension under  
21 form of payment A is equal to three percent of final average  
22 salary multiplied by service credit. The amount shall not  
23 exceed [~~one hundred~~] ninety percent of the final average  
24 salary."

25                   SECTION 27. Section 10-11-38.5 NMSA 1978 (being Laws  
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1 1994, Chapter 128, Section 13, as amended) is amended to read:

2 "10-11-38.5. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
3 OFFICER MEMBER COVERAGE PLAN 2--MEMBER CONTRIBUTION RATE.--A  
4 member under [~~state hazardous duty~~] juvenile correctional  
5 officer member coverage plan 2 shall contribute [~~four and~~  
6 ~~seventy-eight hundredths~~] six and twenty-eight hundredths  
7 percent of salary starting with the first full pay period that  
8 ends within the calendar month in which [~~state hazardous duty~~]  
9 juvenile correctional officer member coverage plan 2 becomes  
10 applicable to the member [~~except that for members whose annual~~  
11 ~~salary is greater than twenty thousand dollars (\$20,000):~~

12 A. ~~from July 1, 2009 through June 30, 2011, the~~  
13 ~~member contribution rate shall be six and twenty-eight~~  
14 ~~hundredths percent of salary;~~

15 B. ~~from July 1, 2011 through June 30, 2012, the~~  
16 ~~member contribution rate shall be eight and three-hundredths~~  
17 ~~percent of salary; and~~

18 C. ~~from July 1, 2012 through June 30, 2013, the~~  
19 ~~member contribution rate shall be six and twenty-eight~~  
20 ~~hundredths percent of salary]."~~

21 SECTION 28. Section 10-11-38.6 NMSA 1978 (being Laws  
22 1994, Chapter 128, Section 14, as amended) is amended to read:

23 "10-11-38.6. [~~STATE HAZARDOUS DUTY~~] JUVENILE CORRECTIONAL  
24 OFFICER MEMBER COVERAGE PLAN 2--STATE CONTRIBUTION RATE.--The  
25 state shall contribute [~~twenty-five and seventy-two hundredths~~]

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1 twenty-seven and twenty-two hundredths percent of the salary of  
2 each member covered by ~~[state hazardous duty]~~ juvenile  
3 correctional officer member coverage plan 2 starting with the  
4 first pay period that ends within the calendar month in which  
5 ~~[state hazardous duty]~~ juvenile correctional officer member  
6 coverage plan 2 becomes applicable to the member, except that  
7 ~~[for members whose annual salary is greater than twenty~~  
8 ~~thousand dollars (\$20,000):~~

9 A. ~~from July 1, 2009 through June 30, 2011, the~~  
10 ~~state contribution rate shall be twenty-four and twenty-two~~  
11 ~~hundredths percent of the salary of each member;~~

12 B. ~~from July 1, 2011 through June 30, 2012, the~~  
13 ~~state contribution rate shall be twenty-two and forty-seven~~  
14 ~~hundredths percent of the salary of each member; and~~

15 C. ~~from July 1, 2012 through June 30, 2013, the~~  
16 ~~state contribution rate shall be twenty-four and twenty-two~~  
17 ~~hundredths percent of the salary of each member]:~~

18 A. from July 1, 2013 through June 30, 2014, the  
19 state contribution rate shall be twenty-five and seventy-two  
20 hundredths percent of the salary of each member;

21 B. from July 1, 2014 through June 30, 2015, the  
22 state contribution rate shall be twenty-six and twenty-two  
23 hundredths percent of the salary of each member; and

24 C. from July 1, 2015 through June 30, 2016, the  
25 state contribution rate shall be twenty-six and seventy-two

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1 hundredths percent of the salary of each member."

2 SECTION 29. Section 10-11-38.7 NMSA 1978 (being Laws  
3 1994, Chapter 128, Section 15) is amended to read:

4 "10-11-38.7. SERVICE CREDIT UNDER THIS PLAN REQUIRED.--  
5 Notwithstanding the provisions of Section [~~10 of this act~~]  
6 10-11-38.2 NMSA 1978, to qualify for payment under [~~state~~  
7 ~~hazardous duty~~] juvenile correctional officer member coverage  
8 plan 2, a member shall have one and one-half years of service  
9 credit earned under the [~~state hazardous duty~~] juvenile  
10 correctional officer member coverage plan 2 subsequent to July  
11 1, 1995."

12 SECTION 30. Section 10-11-45 NMSA 1978 (being Laws 1987,  
13 Chapter 253, Section 45, as amended) is amended to read:

14 "10-11-45. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--AGE  
15 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
16 municipal general member coverage plan 1:

17 A. for a member who was a retired member or a  
18 member on June 30, [~~2010~~] 2013, the age and service  
19 requirements for normal retirement are:

20 (1) age sixty-five years or older and five or  
21 more years of service credit;

22 (2) age sixty-four years and eight or more  
23 years of service credit;

24 (3) age sixty-three years and eleven or more  
25 years of service credit;

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1 (4) age sixty-two years and fourteen or more  
2 years of service credit;

3 (5) age sixty-one years and seventeen or more  
4 years of service credit;

5 (6) age sixty years and twenty or more years  
6 of service credit; or

7 (7) any age and twenty-five or more years of  
8 service credit; and

9 B. for a member who was not a retired member or a  
10 member on June 30, ~~[2010]~~ 2013, the age and service  
11 requirements for normal retirement are:

12 (1) age ~~[sixty-seven]~~ sixty-five years or  
13 older and ~~[five]~~ eight or more years of service credit; or

14 (2) any age if the member has eight or more  
15 years of service credit and the sum of the member's age and  
16 years of service credit equals at least ~~[eighty; or~~

17 ~~(3) any age and thirty or more years of~~  
18 ~~service credit] eighty-five."~~

19 SECTION 31. Section 10-11-46 NMSA 1978 (being Laws 1987,  
20 Chapter 253, Section 46) is amended to read:

21 "10-11-46. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--  
22 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general  
23 member coverage plan 1, the amount of pension under form of  
24 payment A is equal to two percent of the final average salary  
25 multiplied by credited service. The amount shall not exceed  
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1 ~~[sixty]~~ ninety percent of the final average salary."

2 SECTION 32. Section 10-11-48 NMSA 1978 (being Laws 1987,  
3 Chapter 253, Section 48) is amended to read:

4 "10-11-48. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--  
5 MEMBER CONTRIBUTION RATE.--A member under municipal general  
6 member coverage plan 1 shall contribute ~~[seven]~~ eight and one-  
7 half percent of salary."

8 SECTION 33. Section 10-11-49 NMSA 1978 (being Laws 1987,  
9 Chapter 253, Section 49) is amended to read:

10 "10-11-49. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--  
11 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
12 public employer shall contribute ~~[seven]~~ eight and one-half  
13 percent of the salary of each member ~~[which]~~ it employs and who  
14 is covered under municipal general member coverage plan 1,  
15 except that:

16 A. from July 1, 2013 through June 30, 2014, the  
17 affiliated public employer contribution rate shall be seven  
18 percent of the salary of each member;

19 B. from July 1, 2014 through June 30, 2015, the  
20 affiliated public employer contribution rate shall be seven and  
21 one-half percent of the salary of each member; and

22 C. from July 1, 2015 through June 30, 2016, the  
23 affiliated public employer contribution rate shall be eight  
24 percent of the salary of each member."

25 SECTION 34. Section 10-11-51 NMSA 1978 (being Laws 1987,

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1 Chapter 253, Section 51, as amended) is amended to read:

2 "10-11-51. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--AGE  
3 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
4 municipal general member coverage plan 2:

5 A. for a member who was a retired member or a  
6 member on June 30, [~~2010~~] 2013, the age and service  
7 requirements for normal retirement are:

8 (1) age sixty-five years or older and five or  
9 more years of service credit;

10 (2) age sixty-four years and eight or more  
11 years of service credit;

12 (3) age sixty-three years and eleven or more  
13 years of service credit;

14 (4) age sixty-two years and fourteen or more  
15 years of service credit;

16 (5) age sixty-one years and seventeen or more  
17 years of service credit;

18 (6) age sixty years and twenty or more years  
19 of service credit; or

20 (7) any age and twenty-five or more years of  
21 service credit; and

22 B. for a member who was not a retired member or a  
23 member on June 30, [~~2010~~] 2013, the age and service  
24 requirements for normal retirement are:

25 (1) age [~~sixty-seven~~] sixty-five years or

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1 older and [~~five~~] eight or more years of service credit; or

2 (2) any age if the member has eight or more  
3 years of service credit and the sum of the member's age and  
4 years of service credit equals at least [~~eighty; or~~

5 ~~(3) any age and thirty or more years of~~  
6 ~~service credit]~~ eighty-five."

7 SECTION 35. Section 10-11-52 NMSA 1978 (being Laws 1987,  
8 Chapter 253, Section 52) is amended to read:

9 "10-11-52. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--  
10 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general  
11 member coverage plan 2:

12 A. for a member with age and service requirements  
13 provided in Subsection A of Section 10-11-51 NMSA 1978, the  
14 amount of pension under form of payment A is equal to two and  
15 one-half percent of the final average salary multiplied by  
16 credited service. The amount shall not exceed [~~seventy-five~~]  
17 ninety percent of the final average salary; and

18 B. for a member with age and service requirements  
19 provided in Subsection B of Section 10-11-51 NMSA 1978, the  
20 amount of pension under form of payment A is equal to two  
21 percent of the final average salary multiplied by service  
22 credit. The amount shall not exceed ninety percent of the  
23 final average salary."

24 SECTION 36. Section 10-11-54 NMSA 1978 (being Laws 1987,  
25 Chapter 253, Section 54) is amended to read:

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1 "10-11-54. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--  
2 MEMBER CONTRIBUTION RATE.--A member under municipal general  
3 member coverage plan 2 shall contribute [~~nine and fifteen one-~~  
4 ~~hundredths~~] ten and sixty-five hundredths percent of salary  
5 starting with the first full pay period in the calendar month  
6 in which coverage plan 2 becomes applicable to the member."

7 SECTION 37. Section 10-11-55 NMSA 1978 (being Laws 1987,  
8 Chapter 253, Section 55) is amended to read:

9 "10-11-55. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--  
10 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
11 public employer shall contribute [~~nine and fifteen one-~~  
12 ~~hundredths~~] ten and sixty-five hundredths percent of the salary  
13 of each member [~~which~~] it employs and who is covered under  
14 municipal general member coverage plan 2, except that:

15 A. from July 1, 2013 through June 30, 2014, the  
16 affiliated public employer contribution rate shall be nine and  
17 fifteen-hundredths percent of the salary of each member;

18 B. from July 1, 2014 through June 30, 2015, the  
19 affiliated public employer contribution rate shall be nine and  
20 sixty-five hundredths percent of the salary of each member;

21 C. from July 1, 2015 through June 30, 2016, the  
22 affiliated public employer contribution rate shall be ten and  
23 fifteen-hundredths percent of the salary of each member."

24 SECTION 38. Section 10-11-55.2 NMSA 1978 (being Laws  
25 1993, Chapter 58, Section 2, as amended) is amended to read:

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1 "10-11-55.2. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
2 AGE AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
3 municipal general member coverage plan 3:

4 A. for a member who was a retired member or a  
5 member on June 30, [~~2010~~] 2013, the age and service  
6 requirements for normal retirement are:

7 (1) age sixty-five years or older and five or  
8 more years of service credit;

9 (2) age sixty-four years and eight or more  
10 years of service credit;

11 (3) age sixty-three years and eleven or more  
12 years of service credit;

13 (4) age sixty-two years and fourteen or more  
14 years of service credit;

15 (5) age sixty-one years and seventeen or more  
16 years of service credit;

17 (6) age sixty years and twenty or more years  
18 of service credit; or

19 (7) any age and twenty-five or more years of  
20 service credit; and

21 B. for a member who was not a retired member or a  
22 member on June 30, [~~2010~~] 2013, the age and service  
23 requirements for normal retirement are:

24 (1) age [~~sixty-seven~~] sixty-five years or  
25 older and [~~five~~] eight or more years of service credit; or

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1 (2) any age if the member has eight or more  
2 years of service credit and the sum of the member's age and  
3 years of service credit equals at least [eighty; or  
4 ~~(3) any age and thirty or more years of~~  
5 ~~service credit]~~ eighty-five."

6 SECTION 39. Section 10-11-55.3 NMSA 1978 (being Laws  
7 1993, Chapter 58, Section 3) is amended to read:

8 "10-11-55.3. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
9 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general  
10 member coverage plan 3:

11 A. for a member with age and service requirements  
12 provided under Subsection A of Section 10-11-55.2 NMSA 1978,  
13 the amount of pension under form of payment A is equal to three  
14 percent of the final average salary multiplied by credited  
15 service. The amount shall not exceed [eighty] ninety percent  
16 of the final average salary; and

17 B. for a member with age and service requirements  
18 provided under Subsection B of Section 10-11-55.2 NMSA 1978,  
19 the amount of pension under form of payment A is equal to two  
20 and one-half percent of the final average salary multiplied by  
21 credited service. The amount shall not exceed ninety percent  
22 of the final average salary."

23 SECTION 40. Section 10-11-55.5 NMSA 1978 (being Laws  
24 1993, Chapter 58, Section 5) is amended to read:

25 "10-11-55.5. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
.190837.2

1 MEMBER CONTRIBUTION RATE.--A member under municipal general  
2 member coverage plan 3 shall contribute [~~thirteen and fifteen~~  
3 ~~one-hundredths~~] fourteen and sixty-five hundredths percent of  
4 salary starting with the first full pay period in the calendar  
5 month in which coverage plan 3 becomes applicable to the  
6 member."

7 SECTION 41. Section 10-11-55.6 NMSA 1978 (being Laws  
8 1993, Chapter 58, Section 6) is amended to read:

9 "10-11-55.6. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
10 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
11 public employer shall contribute [~~nine and fifteen one-~~  
12 ~~hundredths~~] ten and sixty-five hundredths percent of the salary  
13 of each member it employs and who is covered under municipal  
14 general member coverage plan 3, except that:

15 A. from July 1, 2013 through June 30, 2014, the  
16 affiliated public employer contribution rate shall be nine and  
17 fifteen-hundredths percent of the salary of each member;

18 B. from July 1, 2014 through June 30, 2015, the  
19 affiliated public employer contribution rate shall be nine and  
20 sixty-five hundredths percent of the salary of each member; and

21 C. from July 1, 2015 through June 30, 2016, the  
22 affiliated public employer contribution rate shall be ten and  
23 fifteen-hundredths percent of the salary of each member."

24 SECTION 42. Section 10-11-55.8 NMSA 1978 (being Laws  
25 1998, Chapter 106, Section 2, as amended) is amended to read:

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1 "10-11-55.8. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
2 AGE AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
3 municipal general member coverage plan 4:

4 A. for a member who was a retired member or a  
5 member on June 30, [~~2010~~] 2013, the age and service  
6 requirements for normal retirement are:

7 (1) age sixty-five years or older and five or  
8 more years of service credit;

9 (2) age sixty-four years and eight or more  
10 years of service credit;

11 (3) age sixty-three years and eleven or more  
12 years of service credit;

13 (4) age sixty-two years and fourteen or more  
14 years of service credit;

15 (5) age sixty-one years and seventeen or more  
16 years of service credit;

17 (6) age sixty years and twenty or more years  
18 of service credit; or

19 (7) any age and twenty-five or more years of  
20 service credit; and

21 B. for a member who was not a retired member or a  
22 member on June 30, [~~2010~~] 2013, the age and service  
23 requirements for normal retirement are:

24 (1) age [~~sixty-seven~~] sixty-five years or  
25 older and [~~five~~] eight or more years of service credit; or

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[bracketed material] = delete

1 (2) any age if the member has eight or more  
2 years of service credit and the sum of the member's age and  
3 years of service credit equals at least [~~eighty; or~~

4 ~~(3) any age and thirty or more years of~~  
5 ~~service credit] eighty-five."~~

6 SECTION 43. Section 10-11-55.9 NMSA 1978 (being Laws  
7 1998, Chapter 106, Section 3) is amended to read:

8 "10-11-55.9. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
9 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal general  
10 member coverage plan 4:

11 A. for a member with age and service requirements  
12 provided under Subsection A of Section 10-11-55.8 NMSA 1978,  
13 the amount of pension under form of payment A is equal to three  
14 percent of the final average salary multiplied by credited  
15 service. The amount shall not exceed [~~eighty~~] ninety percent  
16 of the final average salary; and

17 B. for a member with age and service requirements  
18 provided under Subsection B of Section 10-11-55.8 NMSA 1978,  
19 the amount of pension under form of payment A is equal to two  
20 and one-half percent of the final average salary multiplied by  
21 credited service. The amount shall not exceed ninety percent  
22 of the final average salary."

23 SECTION 44. Section 10-11-55.11 NMSA 1978 (being Laws  
24 1998, Chapter 106, Section 5) is amended to read:

25 "10-11-55.11. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--

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1 MEMBER CONTRIBUTION RATE.--A member under municipal general  
2 member coverage plan 4 shall contribute [~~fifteen and sixty-five~~  
3 ~~hundredths~~] seventeen and fifteen-hundredths percent of salary  
4 starting with the first full pay period in the calendar month  
5 in which coverage plan 4 becomes applicable to the member."

6 SECTION 45. Section 10-11-55.12 NMSA 1978 (being Laws  
7 1998, Chapter 106, Section 6) is amended to read:

8 "10-11-55.12. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
9 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated  
10 public employer shall contribute [~~eleven and sixty-five~~  
11 ~~hundredths~~] thirteen and fifteen-hundredths percent of the  
12 salary of each member it employs and who is covered under  
13 municipal general member coverage plan 4, except that:

14 A. from July 1, 2013 through June 30, 2014, the  
15 affiliated public employer contribution rate shall be eleven  
16 and sixty-five hundredths percent of the salary of each member;

17 B. from July 1, 2014 through June 30, 2015, the  
18 affiliated public employer contribution rate shall be twelve  
19 and fifteen-hundredths percent of the salary of each member;  
20 and

21 C. from July 1, 2015 through June 30, 2016, the  
22 affiliated public employer contribution rate shall be twelve  
23 and sixty-five hundredths percent of the salary of each  
24 member."

25 SECTION 46. Section 10-11-57 NMSA 1978 (being Laws 1987,  
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1 Chapter 253, Section 57) is amended to read:

2 "10-11-57. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--AGE  
3 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
4 municipal police member coverage plan 1:

5 A. for a member who was a retired member or a  
6 member on June 30, 2013, the age and service requirements for  
7 normal retirement are:

8 [~~A.~~] (1) age sixty-five years or older and  
9 five or more years of credited service;

10 [~~B.~~] (2) age sixty-four years and eight or  
11 more years of credited service;

12 [~~C.~~] (3) age sixty-three years and eleven or  
13 more years of credited service;

14 [~~D.~~] (4) age sixty-two years and fourteen or  
15 more years of credited service;

16 [~~E.~~] (5) age sixty-one years and seventeen or  
17 more years of credited service;

18 [~~F.~~] (6) age sixty years and twenty or more  
19 years of credited service; or

20 [~~G.~~] (7) any age and twenty-five or more years  
21 of credited service; and

22 B. for a member who was not a retired member or a  
23 member on June 30, 2013, the age and service requirements for  
24 normal retirement are:

25 (1) age sixty years or older and six or more

1 years of service credit; or

2 (2) any age if the member has six or more  
3 years of service credit and the sum of the member's age and  
4 years of service credit equals at least seventy-five."

5 SECTION 47. Section 10-11-58 NMSA 1978 (being Laws 1987,  
6 Chapter 253, Section 58) is amended to read:

7 "10-11-58. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--  
8 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police  
9 member coverage plan 1, the amount of pension under form of  
10 payment A is equal to two percent of the final average salary  
11 multiplied by credited service. The amount shall not exceed  
12 [~~sixty~~] ninety percent of the final average salary."

13 SECTION 48. Section 10-11-60 NMSA 1978 (being Laws 1987,  
14 Chapter 253, Section 60) is amended to read:

15 "10-11-60. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--  
16 MEMBER CONTRIBUTION RATE.--A member under municipal police  
17 member coverage plan 1 shall contribute [~~seven~~] eight and one-  
18 half percent of salary."

19 SECTION 49. Section 10-11-61 NMSA 1978 (being Laws 1987,  
20 Chapter 253, Section 61) is amended to read:

21 "10-11-61. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--  
22 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
23 public employer shall contribute [~~ten~~] eleven and one-half  
24 percent of the salary of each member [~~which~~] it employs and who  
25 is covered under municipal police member coverage plan 1,

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1 except that:

2 A. from July 1, 2013 through June 30, 2014, the  
3 affiliated public employer contribution rate shall be ten  
4 percent of the salary of each member;

5 B. from July 1, 2014 through June 30, 2015, the  
6 affiliated public employer contribution rate shall be ten and  
7 one-half percent of the salary of each member; and

8 C. from July 1, 2015 through June 30, 2016, the  
9 affiliated public employer contribution rate shall be eleven  
10 percent of the salary of each member."

11 SECTION 50. Section 10-11-63 NMSA 1978 (being Laws 1987,  
12 Chapter 253, Section 63) is amended to read:

13 "10-11-63. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--AGE  
14 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
15 municipal police coverage plan 2:

16 A. for a member who was a retired member or a  
17 member on June 30, 2013, the age and service requirements for  
18 normal retirement are:

19 [~~A.~~] (1) age sixty-five years or older and  
20 five or more years of credited service;

21 [~~B.~~] (2) age sixty-four years and eight or  
22 more years of credited service;

23 [~~C.~~] (3) age sixty-three years and eleven or  
24 more years of credited service;

25 [~~D.~~] (4) age sixty-two years and fourteen or

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1 more years of credited service;

2 [E-] (5) age sixty-one years and seventeen or  
3 more years of credited service;

4 [F-] (6) age sixty years and twenty or more  
5 years of credited service; or

6 [G-] (7) any age and twenty-five or more years  
7 of credited service; and

8 B. for a member who was not a retired member or a  
9 member on June 30, 2013, the age and service requirements for  
10 normal retirement are:

11 (1) age sixty years or older and six or more  
12 years of service credit; or

13 (2) any age if the member has six or more  
14 years of service credit and the sum of the member's age and  
15 years of service credit equals at least seventy-five."

16 SECTION 51. Section 10-11-64 NMSA 1978 (being Laws 1987,  
17 Chapter 253, Section 64) is amended to read:

18 "10-11-64. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--  
19 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police  
20 member coverage plan 2:

21 A. for a member with age and service requirements  
22 provided under Subsection A of Section 10-11-63 NMSA 1978, the  
23 amount of pension under form of payment A is equal to two and  
24 one-half percent of the final average salary multiplied by  
25 credited service. The amount shall not exceed [one-hundred]

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1 ninety percent of the final average salary; and

2 B. for a member with age and service requirements  
3 provided under Subsection B of Section 10-11-63 NMSA 1978, the  
4 amount of pension under form of payment A is equal to two  
5 percent of the final average salary multiplied by credited  
6 service. The amount shall not exceed ninety percent of the  
7 final average salary."

8 SECTION 52. Section 10-11-66 NMSA 1978 (being Laws 1987,  
9 Chapter 253, Section 66) is amended to read:

10 "10-11-66. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--  
11 MEMBER CONTRIBUTION RATE.--A member under municipal police  
12 member coverage plan 2 shall contribute [~~seven~~] eight and one-  
13 half percent of salary."

14 SECTION 53. Section 10-11-67 NMSA 1978 (being Laws 1987,  
15 Chapter 253, Section 67) is amended to read:

16 "10-11-67. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--  
17 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
18 public employer shall contribute [~~fifteen~~] sixteen and one-half  
19 percent of the salary of each member [which] it employs and who  
20 is covered under municipal police member coverage plan 2,  
21 except that:

22 A. from July 1, 2013 through June 30, 2014, the  
23 affiliated public employer contribution rate shall be fifteen  
24 percent of the salary of each member;

25 B. from July 1, 2014 through June 30, 2015, the

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1           B. for a member who was not a retired member or a  
2 member on June 30, 2013, the age and service requirements for  
3 normal retirement are:

4                   (1) age sixty years or older and six or more  
5 years of service credit; or

6                   (2) any age if the member has six or more  
7 years of service credit and the sum of the member's age and  
8 years of service credit equals at least seventy-five."

9           SECTION 55. Section 10-11-70 NMSA 1978 (being Laws 1987,  
10 Chapter 253, Section 70) is amended to read:

11           "10-11-70. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--  
12 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police  
13 member coverage plan 3:

14                   A. for a member with age and service requirements  
15 provided under Subsection A of Section 10-11-69 NMSA 1978, the  
16 amount of pension under form of payment A is equal to two and  
17 one-half percent of the final average salary multiplied by  
18 credited service. The amount shall not exceed [~~one hundred~~]  
19 ninety percent of the final average salary; and

20                   B. for a member with age and service requirements  
21 provided under Subsection B of Section 10-11-69 NMSA 1978, the  
22 amount of pension under form of payment A is equal to two  
23 percent of the final average salary multiplied by credited  
24 service. The amount shall not exceed ninety percent of the  
25 final average salary."

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1 SECTION 56. Section 10-11-72 NMSA 1978 (being Laws 1987,  
2 Chapter 253, Section 72) is amended to read:

3 "10-11-72. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--  
4 MEMBER CONTRIBUTION RATE.--A member under municipal police  
5 member coverage plan 3 shall contribute [~~seven~~] eight and one-  
6 half percent of salary."

7 SECTION 57. Section 10-11-73 NMSA 1978 (being Laws 1987,  
8 Chapter 253, Section 73) is amended to read:

9 "10-11-73. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--  
10 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
11 public employer shall contribute [~~eighteen and one-half~~] twenty  
12 percent of the salary of each member [~~which~~] it employs and who  
13 is covered under [~~coverage~~] municipal police member coverage  
14 plan 3, except that:

15 A. from July 1, 2013 through June 30, 2014, the  
16 affiliated public employer contribution rate shall be eighteen  
17 and one-half percent of the salary of each member;

18 B. from July 1, 2014 through June 30, 2015, the  
19 affiliated public employer contribution rate shall be nineteen  
20 percent of the salary of each member; and

21 C. from July 1, 2015 through June 30, 2016, the  
22 affiliated public employer contribution rate shall be nineteen  
23 and one-half percent of the salary of each member."

24 SECTION 58. Section 10-11-75 NMSA 1978 (being Laws 1987,  
25 Chapter 253, Section 75) is amended to read:

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1 "10-11-75. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--AGE  
2 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
3 municipal police member coverage plan 4:

4 A. for a member who was a retired member or a  
5 member on June 30, 2013, the age and service requirements for  
6 normal retirement are:

7 [~~A.~~] (1) age sixty-five years or older and  
8 five or more years of credited service;

9 [~~B.~~] (2) age sixty-four years and eight or  
10 more years of credited service;

11 [~~C.~~] (3) age sixty-three years and eleven or  
12 more years of credited service;

13 [~~D.~~] (4) age sixty-two years and fourteen or  
14 more years of credited service;

15 [~~E.~~] (5) age sixty-one years and seventeen or  
16 more years of credited service; or

17 [~~F.~~] (6) any age and twenty or more years of  
18 credited service; and

19 B. for a member who was not a retired member or a  
20 member on June 30, 2013, the age and service requirements for  
21 normal retirement are:

22 (1) age sixty years or older and six or more  
23 years of service credit; or

24 (2) any age if the member has six or more  
25 years of service credit and the sum of the member's age and

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1 years of service credit equals at least seventy-five."

2 SECTION 59. Section 10-11-76 NMSA 1978 (being Laws 1987,  
3 Chapter 253, Section 76) is amended to read:

4 "10-11-76. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--  
5 AMOUNT OF PENSION--FORM OF PENSION A.--Under municipal police  
6 member coverage plan 4:

7 A. for a member with age and service requirements  
8 provided under Subsection A of Section 10-11-75 NMSA 1978, the  
9 amount of pension under form of payment A is equal to three  
10 percent of the final average salary multiplied by credited  
11 service. The amount shall not exceed [eighty] ninety percent  
12 of the final average salary; and

13 B. for a member with age and service requirements  
14 provided under Subsection B of Section 10-11-75 NMSA 1978, the  
15 amount of pension under form of payment A is equal to two and  
16 one-half percent of the final average salary multiplied by  
17 credited service. The amount shall not exceed ninety percent  
18 of the final average salary."

19 SECTION 60. Section 10-11-78 NMSA 1978 (being Laws 1987,  
20 Chapter 253, Section 78) is amended to read:

21 "10-11-78. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--  
22 MEMBER CONTRIBUTION RATE.--A member under municipal police  
23 member coverage plan 4 shall contribute [~~twelve and thirty-five~~  
24 ~~one-hundredths~~] thirteen and eighty-five hundredths percent of  
25 salary starting with the first full pay period in the calendar  
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1 month in which municipal police member coverage plan 4 becomes  
2 applicable to the member."

3 SECTION 61. Section 10-11-79 NMSA 1978 (being Laws 1987,  
4 Chapter 253, Section 79) is amended to read:

5 "10-11-79. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--  
6 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
7 public employer shall contribute [~~eighteen and one-half~~] twenty  
8 percent of the salary of each member [which] it employs and who  
9 is covered under municipal police member coverage plan 4,  
10 except that:

11 A. from July 1, 2013 through June 30, 2014, the  
12 affiliated public employer contribution rate shall be eighteen  
13 and one-half percent of the salary of each member;

14 B. from July 1, 2014 through June 30, 2015, the  
15 affiliated public employer contribution rate shall be nineteen  
16 percent of the salary of each member; and

17 C. from July 1, 2015 through June 30, 2016, the  
18 affiliated public employer contribution rate shall be nineteen  
19 and one-half percent of the salary of each member."

20 SECTION 62. Section 10-11-81 NMSA 1978 (being Laws 1987,  
21 Chapter 253, Section 81) is amended to read:

22 "10-11-81. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--AGE  
23 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
24 municipal police member coverage plan 5:

25 A. for a member who was a retired member or a

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1 member on June 30, 2013, the age and service requirements for  
2 normal retirement are:

3 [A.] (1) age sixty-five years or older and  
4 five or more years of credited service;

5 [B.] (2) age sixty-four years and eight or  
6 more years of credited service;

7 [C.] (3) age sixty-three years and eleven or  
8 more years of credited service;

9 [D.] (4) age sixty-two years and fourteen or  
10 more years of credited service;

11 [E.] (5) age sixty-one years and seventeen or  
12 more years of credited service; or

13 [F.] (6) any age and twenty or more years of  
14 credited service; and

15 B. for a member who was not a retired member or a  
16 member on June 30, 2013, the age and service requirements for  
17 normal retirement are:

18 (1) age sixty years or older and six or more  
19 years of service credit; or

20 (2) any age if the member has six or more  
21 years of service credit and the sum of the member's age and  
22 years of service credit equals at least seventy-five."

23 SECTION 63. Section 10-11-82 NMSA 1978 (being Laws 1987,  
24 Chapter 253, Section 82) is amended to read:

25 "10-11-82. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--

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1 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal police  
2 member coverage plan 5:

3 A. for a member with age and service requirements  
4 provided under Subsection A of Section 10-11-81 NMSA 1978, the  
5 amount of pension under form of payment A is equal to three and  
6 one-half percent of the final average salary multiplied by  
7 credited service. The amount shall not exceed [eighty] ninety  
8 percent of the final average salary; and

9 B. for a member with age and service requirements  
10 provided under Subsection B of Section 10-11-81 NMSA 1978, the  
11 amount of pension under form of payment A is equal to three  
12 percent of the final average salary multiplied by credited  
13 service. The amount shall not exceed ninety percent of the  
14 final average salary."

15 SECTION 64. Section 10-11-84 NMSA 1978 (being Laws 1987,  
16 Chapter 253, Section 84) is amended to read:

17 "10-11-84. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--  
18 MEMBER CONTRIBUTION RATE.--A member under municipal police  
19 member coverage plan 5 shall contribute [~~sixteen and three-~~  
20 ~~tenths~~] seventeen and eight-tenths percent of salary starting  
21 with the first full pay period in the calendar month in which  
22 municipal police member coverage plan 5 becomes applicable to  
23 the member."

24 SECTION 65. Section 10-11-85 NMSA 1978 (being Laws 1987,  
25 Chapter 253, Section 85) is amended to read:

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1 "10-11-85. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--  
2 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
3 public employer shall contribute [~~eighteen and one-half~~] twenty  
4 percent of the salary of each member [~~which~~] it employs and who  
5 is covered under municipal police member coverage plan 5,  
6 except that:

7 A. from July 1, 2013 through June 30, 2014, the  
8 affiliated public employer contribution rate shall be eighteen  
9 and one-half percent of the salary of each member;

10 B. from July 1, 2014 through June 30, 2015, the  
11 affiliated public employer contribution rate shall be nineteen  
12 percent of the salary of each member; and

13 C. from July 1, 2015 through June 30, 2016, the  
14 affiliated public employer contribution rate shall be nineteen  
15 and one-half percent of the salary of each member."

16 SECTION 66. Section 10-11-87 NMSA 1978 (being Laws 1987,  
17 Chapter 253, Section 87) is amended to read:

18 "10-11-87. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--AGE AND  
19 SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under municipal  
20 fire member coverage plan 1:

21 A. for a member who was a retired member or a  
22 member on June 30, 2013, the age and service requirements for  
23 normal retirement are:

24 [~~A.~~] (1) age sixty-five years or older and  
25 five or more years of credited service;

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1           ~~[B.]~~ (2) age sixty-four years and eight or  
2 more years of credited service;

3           ~~[G.]~~ (3) age sixty-three years and eleven or  
4 more years of credited service;

5           ~~[D.]~~ (4) age sixty-two years and fourteen or  
6 more years of credited service;

7           ~~[E.]~~ (5) age sixty-one years and seventeen or  
8 more years of credited service;

9           ~~[F.]~~ (6) age sixty years and twenty or more  
10 years of credited service; or

11           ~~[G.]~~ (7) any age and twenty-five or more years  
12 of credited service; and

13           B. for a member who was not a retired member or a  
14 member on June 30, 2013, the age and service requirements for  
15 normal retirement are:

16           (1) age sixty years or older and six or more  
17 years of service credit; or

18           (2) any age if the member has six or more  
19 years of service credit and the sum of the member's age and  
20 years of service credit equals at least seventy-five."

21           SECTION 67. Section 10-11-88 NMSA 1978 (being Laws 1987,  
22 Chapter 253, Section 88) is amended to read:

23           "10-11-88. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--AMOUNT  
24 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member  
25 coverage plan 1, the amount of pension under form of payment A

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1 is equal to two percent of the final average salary multiplied  
2 by credited service. The amount shall not exceed [~~sixty~~]  
3 ninety percent of the final average salary."

4 SECTION 68. Section 10-11-90 NMSA 1978 (being Laws 1987,  
5 Chapter 253, Section 90, as amended) is amended to read:

6 "10-11-90. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--MEMBER  
7 CONTRIBUTION RATE.--A member under municipal fire member  
8 coverage plan 1 shall contribute [~~eight~~] nine and one-half  
9 percent of salary."

10 SECTION 69. Section 10-11-91 NMSA 1978 (being Laws 1987,  
11 Chapter 253, Section 91, as amended) is amended to read:

12 "10-11-91. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--  
13 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
14 public employer shall contribute [~~eleven~~] twelve and one-half  
15 percent of the salary of each member [~~whom~~] it employs and  
16 covers under municipal fire member coverage plan 1, except  
17 that:

18 A. from July 1, 2013 through June 30, 2014, the  
19 affiliated public employer contribution rate shall be eleven  
20 percent of the salary of each member;

21 B. from July 1, 2014 through June 30, 2015, the  
22 affiliated public employer contribution rate shall be eleven  
23 and one-half percent of the salary of each member; and

24 C. from July 1, 2015 through June 30, 2016, the  
25 affiliated public employer contribution rate shall be twelve

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1 percent of the salary of each member."

2 SECTION 70. Section 10-11-93 NMSA 1978 (being Laws 1987,  
3 Chapter 253, Section 93) is amended to read:

4 "10-11-93. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--AGE AND  
5 SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under municipal  
6 fire member coverage plan 2:

7 A. for a member who was a retired member or a  
8 member on June 30, 2013, the age and service requirements for  
9 normal retirement are:

10 [~~A.~~] (1) age sixty-five years or older and  
11 five or more years of credited service;

12 [~~B.~~] (2) age sixty-four years and eight or  
13 more years of credited service;

14 [~~C.~~] (3) age sixty-three years and eleven or  
15 more years of credited service;

16 [~~D.~~] (4) age sixty-two years and fourteen or  
17 more years of credited service;

18 [~~E.~~] (5) age sixty-one years and seventeen or  
19 more years of credited service;

20 [~~F.~~] (6) age sixty years and twenty or more  
21 years of credited service; or

22 [~~G.~~] (7) any age and twenty-five or more years  
23 of credited service; and

24 B. for a member who was not a retired member or a  
25 member on June 30, 2013, the age and service requirements for

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1 normal retirement are:

2 (1) age sixty years or older and six or more  
3 years of service credit; or

4 (2) any age if the member has six or more  
5 years of service credit and the sum of the member's age and  
6 years of service credit equals at least seventy-five."

7 SECTION 71. Section 10-11-94 NMSA 1978 (being Laws 1987,  
8 Chapter 253, Section 94) is amended to read:

9 "10-11-94. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--AMOUNT  
10 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member  
11 contribution plan 2:

12 A. for a member with age and service requirements  
13 provided under Subsection A of Section 10-11-93 NMSA 1978, the  
14 amount of pension under form of payment A is equal to two and  
15 one-half percent of the final average salary multiplied by  
16 credited service. The amount shall not exceed [~~one hundred~~]  
17 ninety percent of the final average salary; and

18 B. for a member with age and service requirements  
19 provided under Subsection B of Section 10-11-93 NMSA 1978, the  
20 amount of pension under form of payment A is equal to two  
21 percent of the final average salary multiplied by credited  
22 service. The amount shall not exceed ninety percent of the  
23 final average salary."

24 SECTION 72. Section 10-11-96 NMSA 1978 (being Laws 1987,  
25 Chapter 253, Section 96, as amended) is amended to read:

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1 "10-11-96. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--MEMBER  
2 CONTRIBUTION RATE.--A member under municipal fire member  
3 coverage plan 2 shall contribute [~~eight~~] nine and one-half  
4 percent of salary."

5 SECTION 73. Section 10-11-97 NMSA 1978 (being Laws 1987,  
6 Chapter 253, Section 97, as amended) is amended to read:

7 "10-11-97. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--  
8 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
9 public employer shall contribute [~~seventeen and one-half~~]  
10 nineteen percent of the salary of each member [~~whom~~] it employs  
11 and covers under municipal fire member coverage plan 2, except  
12 that:

13 A. from July 1, 2013 through June 30, 2014, the  
14 affiliated public employer contribution rate shall be seventeen  
15 and one-half percent of the salary of each member;

16 B. from July 1, 2014 through June 30, 2015, the  
17 affiliated public employer contribution rate shall be eighteen  
18 percent of the salary of each member; and

19 C. from July 1, 2015 through June 30, 2016, the  
20 affiliated public employer contribution rate shall be eighteen  
21 and one-half percent of the salary of each member."

22 SECTION 74. Section 10-11-99 NMSA 1978 (being Laws 1987,  
23 Chapter 253, Section 99) is amended to read:

24 "10-11-99. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--AGE AND  
25 SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under municipal

1 fire member coverage plan 3:

2 A. for a member who was a retired member or a  
3 member on June 30, 2013, the age and service requirements for  
4 normal retirement are:

5 [A.] (1) age sixty-five years or older and  
6 five or more years of credited service;

7 [B.] (2) age sixty-four years and eight or  
8 more years of credited service;

9 [C.] (3) age sixty-three years and eleven or  
10 more years of credited service;

11 [D.] (4) age sixty-two years and fourteen or  
12 more years of credited service;

13 [E.] (5) age sixty-one years and seventeen or  
14 more years of credited service; or

15 [F.] (6) any age and twenty or more years of  
16 credited service; and

17 B. for a member who was not a retired member or a  
18 member on June 30, 2013, the age and service requirements for  
19 normal retirement are:

20 (1) age sixty years or older and six or more  
21 years of service credit; or

22 (2) any age if the member has six or more  
23 years of service credit and the sum of the member's age and  
24 years of service credit equals at least seventy-five."

25 SECTION 75. Section 10-11-100 NMSA 1978 (being Laws 1987,  
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1 Chapter 253, Section 100) is amended to read:

2 "10-11-100. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--AMOUNT  
3 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member  
4 coverage plan 3:

5 A. for a member with age and service requirements  
6 provided under Subsection A of Section 10-11-99 NMSA 1978, the  
7 amount of pension under form of payment A is equal to two and  
8 one-half percent of the final average salary multiplied by  
9 credited service. The amount shall not exceed [one-hundred]  
10 ninety percent of the final average salary; and

11 B. for a member with age and service requirements  
12 provided under Subsection B of Section 10-11-99 NMSA 1978, the  
13 amount of pension under form of payment A is equal to two  
14 percent of the final average salary multiplied by credited  
15 service. The amount shall not exceed ninety percent of the  
16 final average salary."

17 SECTION 76. Section 10-11-102 NMSA 1978 (being Laws 1987,  
18 Chapter 253, Section 102, as amended) is amended to read:

19 "10-11-102. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--MEMBER  
20 CONTRIBUTION RATE.--A member under municipal fire member  
21 coverage plan 3 shall contribute [~~eight~~] nine and one-half  
22 percent of salary."

23 SECTION 77. Section 10-11-103 NMSA 1978 (being Laws 1987,  
24 Chapter 253, Section 103, as amended) is amended to read:

25 "10-11-103. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--

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1 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
2 public employer shall contribute [~~twenty-one and twenty-five~~  
3 ~~one-hundredths~~] twenty-two and seventy-five hundredths percent  
4 of the salary of each member [whom] it employs and covers under  
5 municipal fire member coverage plan 3, except that:

6 A. from July 1, 2013 through June 30, 2014, the  
7 affiliated public employer contribution rate shall be  
8 twenty-one and twenty-five hundredths percent of the salary of  
9 each member;

10 B. from July 1, 2014 through June 30, 2015, the  
11 affiliated public employer contribution rate shall be twenty-  
12 one and seventy-five hundredths percent of the salary of each  
13 member; and

14 C. from July 1, 2015 through June 30, 2016, the  
15 affiliated public employer contribution rate shall be  
16 twenty-two and twenty-five hundredths percent of the salary of  
17 each member."

18 SECTION 78. Section 10-11-105 NMSA 1978 (being Laws 1987,  
19 Chapter 253, Section 105) is amended to read:

20 "10-11-105. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--AGE  
21 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
22 municipal fire member coverage plan 4:

23 A. for a member who was a retired member or a  
24 member on June 30, 2013, the age and service requirements for  
25 normal retirement are:

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1                   [A.] (1) age sixty-five years or older and  
2 five or more years of credited service;

3                   [B.] (2) age sixty-four years and eight or  
4 more years of credited service;

5                   [C.] (3) age sixty-three years and eleven or  
6 more years of credited service;

7                   [D.] (4) age sixty-two years and fourteen or  
8 more years of credited service;

9                   [E.] (5) age sixty-one years and seventeen or  
10 more years of credited service; or

11                   [F.] (6) any age and twenty or more years of  
12 credited service; and

13                   B. for a member who was not a retired member or a  
14 member on June 30, 2013, the age and service requirements for  
15 normal retirement are:

16                   (1) age sixty years or older and six or more  
17 years of service credit; or

18                   (2) any age if the member has six or more  
19 years of service credit and the sum of the member's age and  
20 years of service credit equals at least seventy-five."

21                   SECTION 79. Section 10-11-106 NMSA 1978 (being Laws 1987,  
22 Chapter 253; Section 106) is amended to read:

23                   "10-11-106. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--AMOUNT  
24 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member  
25 coverage plan 4:

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1           A. for a member with age and service requirements  
2 provided under Subsection A of Section 10-11-105 NMSA 1978, the  
3 amount of pension under form of payment A is equal to three  
4 percent of the final average salary multiplied by credited  
5 service. The amount shall not exceed ~~[eighty]~~ ninety percent  
6 of the final average salary; and

7           B. for a member with age and service requirements  
8 provided under Subsection B of Section 10-11-105 NMSA 1978, the  
9 amount of pension under form of payment A is equal to two and  
10 one-half percent of the final average salary multiplied by  
11 credited service. The amount shall not exceed ninety percent  
12 of the final average salary."

13           SECTION 80. Section 10-11-108 NMSA 1978 (being Laws 1987,  
14 Chapter 253, Section 108, as amended) is amended to read:

15           "10-11-108. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--MEMBER  
16 CONTRIBUTION RATE.--A member under municipal fire member  
17 coverage plan 4 shall contribute ~~[twelve and eight-tenths]~~  
18 fourteen and three-tenths percent of salary."

19           SECTION 81. Section 10-11-109 NMSA 1978 (being Laws 1987,  
20 Chapter 253, Section 109, as amended) is amended to read:

21           "10-11-109. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--  
22 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
23 public employer shall contribute ~~[twenty-one and twenty-five~~  
24 ~~one-hundredths]~~ twenty-two and seventy-five hundredths percent  
25 of the salary of each member ~~[whom]~~ it employs and covers under

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1 municipal fire member coverage plan 4, except that:

2 A. from July 1, 2013 through June 30, 2014, the  
3 affiliated public employer contribution rate shall be twenty-  
4 one and twenty-five hundredths percent of the salary of each  
5 member;

6 B. from July 1, 2014 through June 30, 2015, the  
7 affiliated public employer contribution rate shall be twenty-  
8 one and seventy-five hundredths percent of the salary of each  
9 member; and

10 C. from July 1, 2015 through June 30, 2016, the  
11 affiliated public employer contribution rate shall be  
12 twenty-two and twenty-five hundredths percent of the salary of  
13 each member."

14 SECTION 82. Section 10-11-111 MSA 1978 (being Laws 1987,  
15 Chapter 253, Section 111) is amended to read:

16 "10-11-111. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--AGE  
17 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
18 municipal fire member coverage plan 5:

19 A. for a member who was a retired member or a  
20 member on June 30, 2013, the age and service requirements for  
21 normal retirement are:

22 [A-] (1) age sixty-five years or older and  
23 five or more years of credited service;

24 [B-] (2) age sixty-four years and eight or  
25 more years of credited service;

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1                   [~~G~~] (3) age sixty-three years and eleven or  
2 more years of credited service;

3                   [~~D~~] (4) age sixty-two years and fourteen or  
4 more years of credited service;

5                   [~~E~~] (5) age sixty-one years and seventeen or  
6 more years of credited service; or

7                   [~~F~~] (6) any age and twenty or more years of  
8 credited service; and

9                   B. for a member who was not a retired member or a  
10 member on June 30, 2013, the age and service requirements for  
11 normal retirement are:

12                   (1) age sixty years or older and six or more  
13 years of service credit; or

14                   (2) any age if the member has six or more  
15 years of service credit and the sum of the member's age and  
16 years of service credit equals at least seventy-five."

17                   SECTION 83. Section 10-11-112 NMSA 1978 (being Laws 1987,  
18 Chapter 253, Section 112) is amended to read:

19                   "10-11-112. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--AMOUNT  
20 OF PENSION--FORM OF PAYMENT A.--Under municipal fire member  
21 coverage plan 5:

22                   A. for a member with age and service requirements  
23 provided under Subsection A of Section 10-11-111 NMSA 1978,  
24 the amount of pension under form of payment A is equal to three  
25 and one-half percent of the final average salary multiplied by  
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1 credited service. The amount shall not exceed [~~eighty~~] ninety  
2 percent of the final average salary; and

3 B. for a member with age and service requirements  
4 provided under Subsection B of Section 10-11-111 NMSA 1978, the  
5 amount of pension under form of payment A is equal to three  
6 percent of the final average salary multiplied by credited  
7 service. The amount shall not exceed ninety percent of the  
8 final average salary."

9 SECTION 84. Section 10-11-114 NMSA 1978 (being Laws 1987,  
10 Chapter 253, Section 114, as amended) is amended to read:

11 "10-11-114. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--MEMBER  
12 CONTRIBUTION RATE.--A member under municipal fire member  
13 coverage plan 5 shall contribute [~~sixteen and two-tenths~~]  
14 seventeen and seven-tenths percent of salary."

15 SECTION 85. Section 10-11-115 NMSA 1978 (being Laws 1987,  
16 Chapter 253, Section 115, as amended) is amended to read:

17 "10-11-115. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--  
18 AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated  
19 public employer shall contribute [~~twenty-one and twenty-five~~  
20 ~~one-hundredths~~] twenty-two and seventy-five hundredths percent  
21 of the salary of each member [~~whom~~] it employs and covers under  
22 municipal fire member coverage plan 5, except that:

23 A. from July 1, 2013 through June 30, 2014, the  
24 affiliated public employer contribution rate shall be twenty-  
25 one and twenty-five hundredths percent of the salary of each

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1 member;

2 B. from July 1, 2014 through June 30, 2015, the  
3 affiliated public employer contribution rate shall be twenty-  
4 one and seventy-five hundredths percent of the salary of each  
5 member; and

6 C. from July 1, 2015 through June 30, 2016, the  
7 affiliated public employer contribution rate shall be  
8 twenty-two and twenty-five hundredths percent of the salary of  
9 each member."

10 SECTION 86. Section 10-11-115.2 NMSA 1978 (being Laws  
11 2003, Chapter 268, Section 3) is amended to read:

12 "10-11-115.2. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
13 PLAN 1--AGE AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT--  
14 CALCULATION OF CREDITED SERVICE.--

15 A. Under municipal detention officer member  
16 coverage plan 1, for a member who was a retired member or a  
17 member on June 30, 2013, the age and service requirements for  
18 normal retirement are:

19 (1) age sixty-five years or older and five or  
20 more years of credited service;

21 (2) age sixty-four years and eight or more  
22 years of credited service;

23 (3) age sixty-three years and eleven or more  
24 years of credited service;

25 (4) age sixty-two years and fourteen or more

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1 years of credited service;

2 (5) age sixty-one years and seventeen or more  
3 years of credited service;

4 (6) age sixty years and twenty or more years  
5 of credited service; or

6 (7) any age and twenty-five or more years of  
7 credited service.

8 B. For a member who was not a retired member or a  
9 member on June 30, 2013, the age and service requirements for  
10 normal retirement are:

11 (1) age sixty years or older and six or more  
12 years of service credit; or

13 (2) any age if the member has six or more  
14 years of service credit and the sum of the member's age and  
15 years of service credit equals at least seventy-five.

16 [~~B. In calculating credited service~~]

17 C. For the purposes of determining retirement  
18 eligibility and the amount of pension, the credited service of  
19 a municipal detention officer member who was a retired member  
20 or a member on June 30, 2013 shall [have actual credited  
21 service] be increased by twenty percent for the purposes of  
22 municipal detention officer member coverage plan 1.

23 D. Except as provided in Subsection C of this  
24 section, the credited service of a municipal detention officer  
25 member shall be credited as provided under Section 10-11-4 NMSA

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1 1978."

2 SECTION 87. Section 10-11-115.3 NMSA 1978 (being Laws  
3 2003, Chapter 268, Section 4) is amended to read:

4 "10-11-115.3. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
5 PLAN 1--AMOUNT OF PENSION--FORM OF PAYMENT A.--Under municipal  
6 detention officer member coverage plan 1, the amount of pension  
7 under form of payment A is equal to three percent of the final  
8 average salary multiplied by credited service. The amount  
9 shall not exceed [~~eighty~~] ninety percent of the final average  
10 salary."

11 SECTION 88. Section 10-11-115.5 NMSA 1978 (being Laws  
12 2003, Chapter 268, Section 6) is amended to read:

13 "10-11-115.5. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
14 PLAN 1--MEMBER CONTRIBUTION RATE.--A member under municipal  
15 detention officer member coverage plan 1 shall contribute  
16 [~~sixteen and sixty-five hundredths~~] eighteen and fifteen-  
17 hundredths percent of salary starting with the first full pay  
18 period that ends within the calendar month in which municipal  
19 detention officer member coverage plan 1 becomes applicable to  
20 the member."

21 SECTION 89. Section 10-11-115.6 NMSA 1978 (being Laws  
22 2003, Chapter 268, Section 7) is amended to read:

23 "10-11-115.6. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
24 PLAN 1--EMPLOYER CONTRIBUTION RATE.--The affiliated public  
25 employer shall contribute [~~sixteen and sixty-five hundredths~~]

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1 eighteen and fifteen-hundredths percent of the salary of each  
2 member under municipal detention officer member coverage plan 1  
3 starting with the first pay period that ends within the  
4 calendar month in which municipal detention officer member  
5 coverage plan 1 becomes applicable to the member, except that:

6 A. from July 1, 2013 through June 30, 2014, the  
7 affiliated public employer contribution rate shall be sixteen  
8 and sixty-five hundredths percent of the salary of each member;

9 B. from July 1, 2014 through June 30, 2015, the  
10 affiliated public employer contribution rate shall be seventeen  
11 and fifteen-hundredths percent of the salary of each member;  
12 and

13 C. from July 1, 2015 through June 30, 2016, the  
14 affiliated public employer contribution rate shall be seventeen  
15 and sixty-five hundredths percent of the salary of each  
16 member."

17 SECTION 90. Section 10-11-118 NMSA 1978 (being Laws 1987,  
18 Chapter 253, Section 118, as amended) is amended to read:

19 "10-11-118. COST-OF-LIVING ADJUSTMENTS--QUALIFIED PENSION  
20 RECIPIENT.--

21 A. For the purposes of this section:

22 (1) "preceding calendar year" means the  
23 twelve-month period ending on the December 31 preceding the  
24 July 1 in which pensions are being adjusted; and

25 (2) "second preceding calendar year" means the

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1 full calendar year prior to the preceding calendar year.

2 B. A qualified pension recipient is eligible for a  
3 cost-of-living pension adjustment. The amount of pension  
4 payable to a qualified pension recipient shall be increased  
5 [~~three~~] two percent each July 1. The amount of the increase  
6 shall be determined by multiplying the amount of pension  
7 inclusive of all prior cost-of-living pension adjustments by  
8 [~~three~~] two percent.

9 C. A qualified pension recipient is:

10 (1) a normal retired member who:

11 (a) retires on or before June 30, 2014  
12 and has been retired for at least two full calendar years from  
13 the effective date of the latest retirement prior to July 1 of  
14 the year in which the pension is being adjusted;

15 (b) retires between July 1, 2014 and  
16 June 30, 2015 and has been retired for at least three full  
17 calendar years from the effective date of the latest retirement  
18 prior to July 1 of the year in which the pension is being  
19 adjusted;

20 (c) retires between July 1, 2015 and  
21 June 30, 2016 and has been retired for at least four full  
22 calendar years from the effective date of the latest retirement  
23 prior to July 1 of the year in which the pension is being  
24 adjusted; or

25 (d) retires after July 1, 2016 and has

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1 been retired for at least seven full calendar years from the  
2 effective date of the latest retirement prior to July 1 of the  
3 year in which the pension is being adjusted;

4 (2) a normal retired member who has attained  
5 age sixty-five years and has been retired for at least one full  
6 calendar year from the effective date of the latest retirement  
7 prior to July 1 of the year in which the pension is being  
8 adjusted;

9 (3) a disability retired member who has been  
10 retired for at least one full calendar year from the effective  
11 date of the latest retirement prior to July 1 of the year in  
12 which the pension is being adjusted;

13 (4) a survivor beneficiary who has received a  
14 survivor pension for at least two full calendar years; or

15 (5) a survivor beneficiary of a deceased  
16 retired member who otherwise would have been retired at least  
17 two full calendar years from the effective date of the latest  
18 retirement prior to July 1 of the year in which the pension is  
19 being adjusted.

20 D. A qualified pension recipient may decline an  
21 increase in a pension by giving the association written notice  
22 of the decision to decline the increase at least thirty days  
23 prior to the date the increase would take effect."

24 SECTION 91. REPEAL.--Section 10-11-36 NMSA 1978 (being  
25 Laws 1987, Chapter 253, Section 36) is repealed.

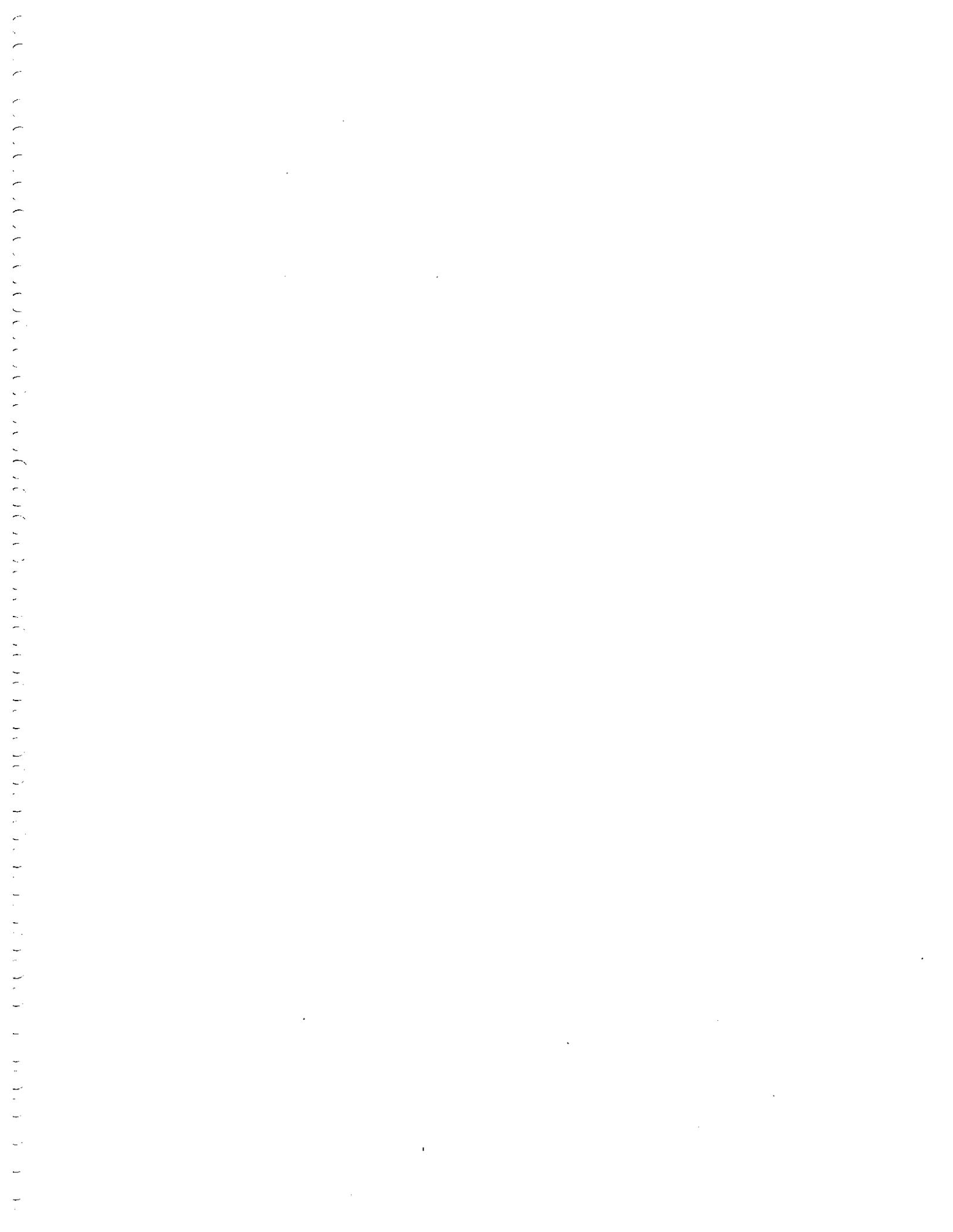
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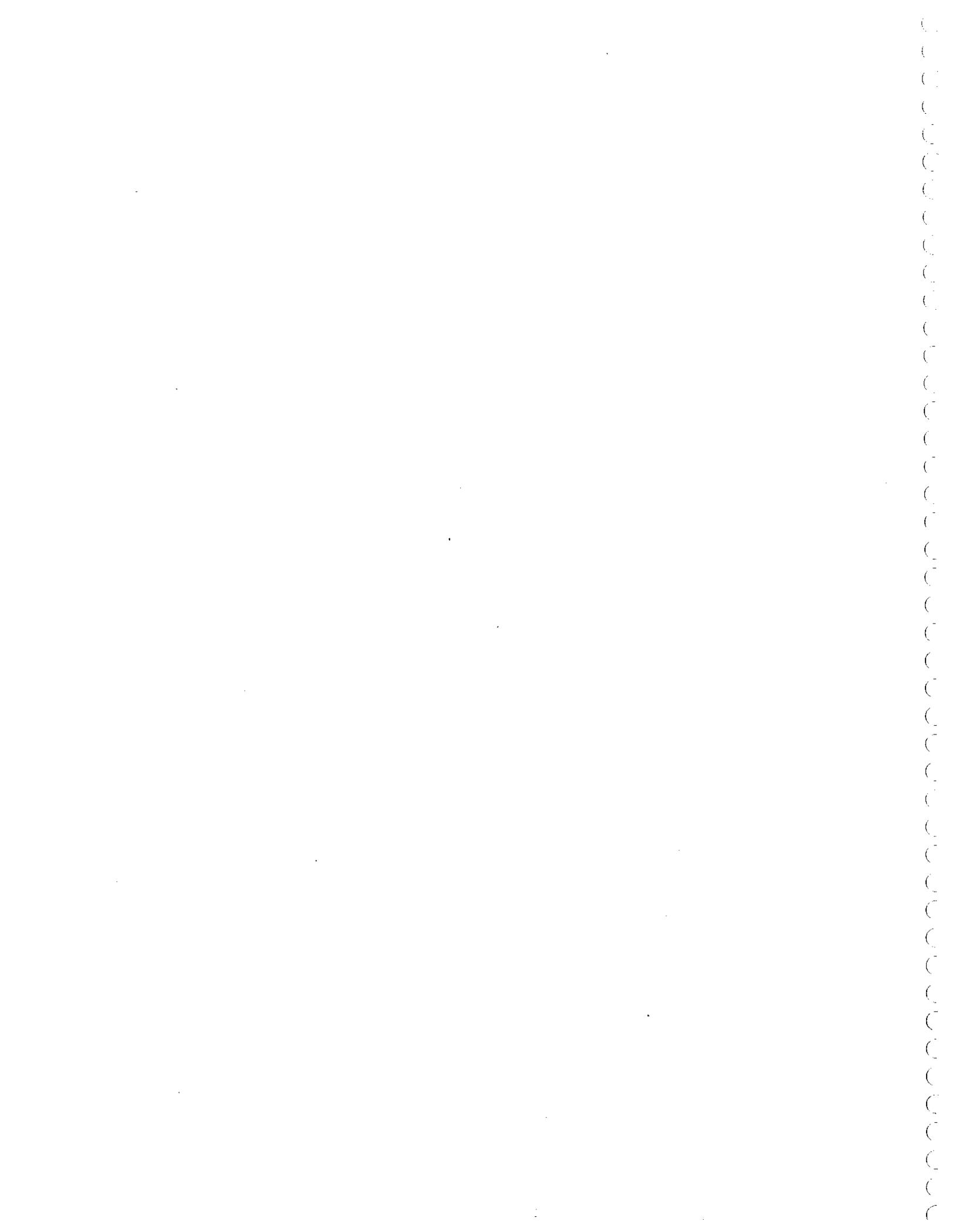
1           SECTION 92. SEVERABILITY.--If any part or application of  
2 this act is held invalid, the remainder or its application to  
3 other situations or persons shall not be affected.

4           SECTION 93. EFFECTIVE DATE.--The effective date of the  
5 provisions of this act is July 1, 2013.

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BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PENSIONS; AMENDING THE PUBLIC EMPLOYEES RETIREMENT ACT TO PROVIDE THAT MUNICIPAL EMPLOYERS MAY OPT NOT TO PAY THE ONE AND ONE-HALF PERCENT INCREASE IN EMPLOYEE CONTRIBUTIONS EFFECTIVE JULY 1, 2013; ALLOWING MUNICIPALITIES THE OPTION TO ELECT TO PAY ADDITIONAL EMPLOYEE CONTRIBUTION RATE INCREASES THAT MAY OCCUR AFTER JULY 1, 2013.

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

SECTION 1. Section 10-11-5 NMSA 1978 (being Laws 1987, Chapter 253, Section 5, as amended) is amended to read:

"10-11-5. CREDITED SERVICE--MUNICIPAL ELECTION TO MAKE EMPLOYEE CONTRIBUTIONS.--A municipal affiliated public employer may elect by resolution of its governing body or by execution of a collective bargaining agreement and in the manner prescribed by the retirement board to be responsible for making

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1 contributions of up to seventy-five percent of its employees'  
2 member contributions as follows:

3 A. the resolution or collective bargaining  
4 agreement shall be irrevocable; ~~[however]~~ except that:

5 (1) if the resolution is passed or the  
6 collective bargaining agreement is executed on or before June  
7 30, 2013, the percentage of the employee contributions that the  
8 municipal affiliated public employer elects to be responsible  
9 for making shall apply to the statutory employee contribution  
10 rate in effect on June 30, 2013 and shall not apply to any  
11 increase in the statutory employee contribution rate that may  
12 occur after that date; and

13 (2) if the resolution is passed or the  
14 collective bargaining agreement is executed on or after July 1,  
15 2013, the percentage of the employee contributions that the  
16 municipal affiliated public employer elects to be responsible  
17 for making shall apply to the statutory employee contribution  
18 rate in effect on the date that the resolution is passed or the  
19 collective bargaining agreement is executed and shall not apply  
20 to any increases in the statutory employee contribution rate  
21 that may occur after that date; provided, however, that, if the  
22 statutory employee contribution rate is decreased after the  
23 date that the resolution is passed or the collective bargaining  
24 agreement is executed, the percentage of the employee  
25 contributions that the municipal public affiliated employer is

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1 responsible for making shall apply to the decreased statutory  
2 employee contribution rate;

3 B. a municipal affiliated public employer may by  
4 subsequent resolution or collective bargaining agreement:

5 (1) elect to increase the percentage of  
6 employee member contributions for which it will be responsible;

7 (2) elect to be responsible for a percentage  
8 of any increase to the statutory employee contribution rate in  
9 effect after the passing of an earlier resolution or the  
10 execution of an earlier collective bargaining agreement; or

11 [~~2~~] (3) at the time a new coverage plan is  
12 adopted, elect to be responsible under the new coverage plan  
13 for making a different percentage of employee member  
14 contributions than that which it elected under a previous  
15 coverage plan;

16 [~~B.~~] C. the resolution or executed collective  
17 bargaining agreement shall apply to all employees or else to  
18 specified employee divisions of the municipal affiliated public  
19 employer and shall be effective the first pay period of the  
20 month following the filing of the resolution with the  
21 retirement board;

22 [~~C.~~] D. the portion of the employee contributions  
23 made by the municipal affiliated public employer on behalf of a  
24 member shall be credited to the member's individual accumulated  
25 member contribution account in the member contribution fund.

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1 The member shall be responsible for the difference between the  
2 contributions the member would be required to make if the  
3 municipal affiliated public employer had not made the election  
4 provided for in this section and the amount contributed by the  
5 municipal affiliated public employer [~~under~~] pursuant to the  
6 provisions of this section;

7 [~~D.~~] E. pensions payable to members whose municipal  
8 affiliated public employer makes the election provided for in  
9 this section shall be the same as if the member had made the  
10 entire member contribution; and

11 [~~E.~~] F. any municipal affiliated public employer  
12 increasing the percentage of the employee member contributions  
13 it elects to make pursuant to this section shall submit a  
14 resolution or executed collective bargaining agreement to the  
15 association by July 1 of the fiscal year in which the increase  
16 will take place indicating the percentage of the employee  
17 member contributions that will be made by the municipal  
18 affiliated public employer."

19 SECTION 2. EFFECTIVE DATE.--The effective date of the  
20 provisions of this act is July 1, 2013.





SENATE BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PENSIONS; AMENDING THE PUBLIC EMPLOYEES RETIREMENT ACT; CLARIFYING HOW SERVICE CREDIT EARNED UNDER MULTIPLE PLANS WILL BE CALCULATED.

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

SECTION 1. Section 10-11-8 NMSA 1978 (being Laws 1987, Chapter 253, Section 8, as amended) is amended to read:

"10-11-8. NORMAL RETIREMENT--RETURN TO EMPLOYMENT-- BENEFITS CONTINUED--[EMPLOYER] CONTRIBUTIONS--SERVICE CREDIT EARNED UNDER MULTIPLE COVERAGE PLANS.--

A. A member may retire upon fulfilling the following requirements prior to the selected date of retirement:

(1) a written application for normal retirement, in the form prescribed by the association, is filed

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1 with the association;

2 (2) employment is terminated with all  
3 employers covered by any state system or the educational  
4 retirement system;

5 (3) the member selects an effective date of  
6 retirement that is the first day of a calendar month; and

7 (4) the member meets the age and service  
8 credit requirement for normal retirement specified in the  
9 coverage plan applicable to the member.

10 B. The amount of normal retirement pension is  
11 determined in accordance with the coverage plan applicable to  
12 the member.

13 C. Except as provided in Subsection D of this  
14 section, on or after July 1, 2010, a retired member may be  
15 subsequently employed by an affiliated public employer only  
16 pursuant to the following provisions:

17 (1) the retired member has not been employed  
18 as an employee of an affiliated public employer or retained as  
19 an independent contractor by the affiliated public employer  
20 from which the retired member retired for at least twelve  
21 consecutive months from the date of retirement to the  
22 commencement of employment or reemployment with an affiliated  
23 public employer;

24 (2) the retired member's pension shall be  
25 suspended upon commencement of the employment;

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1 (3) except as provided in Subsection F of this  
2 section, the previously retired member shall not become a  
3 member and thus the previously retired member shall accrue no  
4 service credit and the previously retired member and that  
5 person's affiliated public employer shall make no contributions  
6 under any coverage plan pursuant to the Public Employees  
7 Retirement Act; and

8 (4) upon termination of the subsequent  
9 employment, the previously retired member's pension shall  
10 resume in accordance with the provisions of Subsection A of  
11 this section.

12 D. The provisions of Subsection C of this section  
13 do not apply to:

14 (1) a retired member employed by the  
15 legislature for legislative session work;

16 (2) a retired member employed temporarily as a  
17 precinct board member for a municipal election or an election  
18 covered by the Election Code; or

19 (3) a retired member who is elected to serve a  
20 term as an elected official; provided that:

21 (a) the retired member files an  
22 irrevocable exemption from membership with the association  
23 within thirty days of taking office; and

24 (b) the irrevocable exemption shall be  
25 for the elected official's term of office.

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1           E. A retired member who returns to employment  
2 during retirement pursuant to Subsection D of this section is  
3 entitled to receive retirement benefits but is not entitled to  
4 accrue service credit or to acquire or purchase service credit  
5 in the future for the period of the previously retired member's  
6 reemployment with an affiliated public employer.

7           F. At any time during a previously retired member's  
8 subsequent employment pursuant to Subsection C of this section,  
9 the previously retired member may elect to become a member and  
10 the following conditions shall apply:

11                   (1) the previously retired member and the  
12 subsequent affiliated public employer shall make the required  
13 employee and employer contributions, and the previously retired  
14 member shall accrue service credit for the period of subsequent  
15 employment; and

16                   (2) when the previously retired member  
17 terminates the subsequent employment with an affiliated public  
18 employer, the previously retired member shall retire according  
19 to the provisions of the Public Employees Retirement Act,  
20 subject to the following conditions:

21                           (a) payment of the pension shall resume  
22 in accordance with the provisions of Subsection A of this  
23 section;

24                           (b) unless the previously retired member  
25 accrued at least three years of service credit on account of

1 the subsequent employment, the recalculation of pension shall:  
2 1) employ the form of payment selected by the previously  
3 retired member at the time of the first retirement; and 2) use  
4 the provisions of the coverage plan applicable to the member on  
5 the date of the first retirement; and

6 (c) the recalculated pension shall not  
7 be less than the amount of the suspended pension.

8 G. A previously retired member who returned to work  
9 with an affiliated public employer prior to July 1, 2010 shall  
10 be subject to the provisions of this section in effect on the  
11 date the previously retired member returned to work; provided  
12 that, on and after July 1, 2010, the previously retired member  
13 shall pay the employee contribution in an amount specified in  
14 the Public Employees Retirement Act for the position in which  
15 the previously retired member is employed.

16 H. The pension of a member who has earned service  
17 credit under more than one coverage plan shall be determined as  
18 follows:

19 (1) the pension of a member who has three or  
20 more years of service credit earned on or before June 30, 2013  
21 under each of two or more coverage plans shall be determined in  
22 accordance with the coverage plan that produces the highest  
23 pension;

24 (2) the pension of a member who has service  
25 credit earned on or before June 30, 2013 under two or more

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1 coverage plans but who has three or more years of service  
2 credit under only one of those coverage plans shall be  
3 determined in accordance with the coverage plan in which the  
4 member has three or more years of service credit. If the  
5 service credit is acquired under two different coverage plans  
6 applied to the same affiliated public employer as a consequence  
7 of an election by the members, adoption by the affiliated  
8 public employer or a change in the law that results in the  
9 application of a coverage plan with a greater pension, the  
10 greater pension shall be paid a member retiring from the  
11 affiliated public employer under which the change in coverage  
12 plan took place regardless of the amount of service credit  
13 under the coverage plan producing the greater pension; provided  
14 that the member has three or more years of continuous  
15 employment with that affiliated public employer immediately  
16 preceding or immediately preceding and immediately following  
17 the date the coverage plan changed;

18 (3) the pension of a member who has service  
19 credit earned on or before June 30, 2013 under each of two or  
20 more coverage plans and who has service credit earned under any  
21 coverage plan on or after July 1, 2013 shall be equal to the  
22 sum of:

23 (a) the pension attributable to the  
24 service credit earned on or before June 30, 2013 determined  
25 pursuant to Paragraph (1) or (2) of this subsection; and

1                                   (b) the pension attributable to the  
2 service credit earned under each coverage plan on or after July  
3 1, 2013;

4                                   (4) the pension of a member who has service  
5 credit earned only on and after July 1, 2013 shall be equal to  
6 the sum of the pension attributable to the service credit the  
7 member has accrued under each coverage plan; and

8                                   (5) the provisions of each coverage plan for  
9 the purpose of this subsection shall be those in effect at the  
10 time the member ceased to be covered by the coverage plan.  
11 "Service credit", for the purposes of this subsection, shall be  
12 only personal service rendered an affiliated public employer  
13 and credited to the member under the provisions of Subsection A  
14 of Section 10-11-4 NMSA 1978. Service credited under any other  
15 provision of the Public Employees Retirement Act shall not be  
16 used to satisfy the three-year service credit requirement of  
17 this subsection."

18                                   SECTION 2. EFFECTIVE DATE.--The effective date of  
19 the provisions of this act is July 1, 2013.



OTHER PROPOSALS AFFECTING  
PERA PENSION PLAN



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SENATE BILL  
51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PUBLIC EMPLOYEES RETIREMENT; ADDING AN EXCEPTION  
FOR CHIEFS OF POLICE AND UNDERSHERIFFS TO THE RETURN TO WORK  
RESTRICTIONS IN THE PUBLIC EMPLOYEES RETIREMENT ACT.

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

SECTION 1. Section 10-11-8 NMSA 1978 (being Laws 1987,  
Chapter 253, Section 8, as amended) is amended to read:

"10-11-8. NORMAL RETIREMENT--RETURN TO EMPLOYMENT--  
BENEFITS CONTINUED--EMPLOYER CONTRIBUTIONS.--

A. A member may retire upon fulfilling the  
following requirements prior to the selected date of  
retirement:

(1) a written application for normal  
retirement, in the form prescribed by the association, is filed  
with the association;

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1 (2) employment is terminated with all  
2 employers covered by any state system or the educational  
3 retirement system;

4 (3) the member selects an effective date of  
5 retirement that is the first day of a calendar month; and

6 (4) the member meets the age and service  
7 credit requirement for normal retirement specified in the  
8 coverage plan applicable to the member.

9 B. The amount of normal retirement pension is  
10 determined in accordance with the coverage plan applicable to  
11 the member.

12 C. Except as provided in Subsection D of this  
13 section, on or after July 1, 2010, a retired member may be  
14 subsequently employed by an affiliated public employer only  
15 pursuant to the following provisions:

16 (1) the retired member has not been employed  
17 as an employee of an affiliated public employer or retained as  
18 an independent contractor by the affiliated public employer  
19 from which the retired member retired for at least twelve  
20 consecutive months from the date of retirement to the  
21 commencement of employment or reemployment with an affiliated  
22 public employer;

23 (2) the retired member's pension shall be  
24 suspended upon commencement of the employment;

25 (3) except as provided in Subsection F of this

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1 section, the previously retired member shall not become a  
2 member and thus the previously retired member shall accrue no  
3 service credit and the previously retired member and that  
4 person's affiliated public employer shall make no contributions  
5 under any coverage plan pursuant to the Public Employees  
6 Retirement Act; and

7 (4) upon termination of the subsequent  
8 employment, the previously retired member's pension shall  
9 resume in accordance with the provisions of Subsection A of  
10 this section.

11 D. The provisions of Subsection C of this section  
12 do not apply to:

13 (1) a retired member employed by the  
14 legislature for legislative session work;

15 (2) a retired member employed temporarily as a  
16 precinct board member for a municipal election or an election  
17 covered by the Election Code; ~~[or]~~

18 (3) a retired member who is elected to serve a  
19 term as an elected official; provided that:

20 (a) the retired member files an  
21 irrevocable exemption from membership with the association  
22 within thirty days of taking office; and

23 (b) the irrevocable exemption shall be  
24 for the elected official's term of office; or

25 (4) on and after July 1, 2013, a retired

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1 member who is appointed chief of police of an affiliated public  
2 employer, other than of the affiliated public employer from  
3 which the member retired, or who is appointed as an  
4 undersheriff if the retired member files an irrevocable  
5 exemption from membership with the association within thirty  
6 days of appointment. For purposes of this subsection, each  
7 sheriff's office shall be limited to one undersheriff. The  
8 irrevocable exemption shall be for the chief of police's or the  
9 undersheriff's term of office.

10 E. A retired member who returns to employment  
11 during retirement pursuant to Subsection D of this section is  
12 entitled to receive retirement benefits but is not entitled to  
13 accrue service credit or to acquire or purchase service credit  
14 in the future for the period of the previously retired member's  
15 reemployment with an affiliated public employer.

16 F. At any time during a previously retired member's  
17 subsequent employment pursuant to Subsection C of this section,  
18 the previously retired member may elect to become a member and  
19 the following conditions shall apply:

20 (1) the previously retired member and the  
21 subsequent affiliated public employer shall make the required  
22 employee and employer contributions, and the previously retired  
23 member shall accrue service credit for the period of subsequent  
24 employment; and

25 (2) when the previously retired member

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1 terminates the subsequent employment with an affiliated public  
2 employer, the previously retired member shall retire according  
3 to the provisions of the Public Employees Retirement Act,  
4 subject to the following conditions:

5 (a) payment of the pension shall resume  
6 in accordance with the provisions of Subsection A of this  
7 section;

8 (b) unless the previously retired member  
9 accrued at least three years of service credit on account of  
10 the subsequent employment, the recalculation of pension shall:  
11 1) employ the form of payment selected by the previously  
12 retired member at the time of the first retirement; and 2) use  
13 the provisions of the coverage plan applicable to the member on  
14 the date of the first retirement; and

15 (c) the recalculated pension shall not  
16 be less than the amount of the suspended pension.

17 G. A previously retired member who returned to work  
18 with an affiliated public employer prior to July 1, 2010 shall  
19 be subject to the provisions of this section in effect on the  
20 date the previously retired member returned to work; provided  
21 that, on and after July 1, 2010, the previously retired member  
22 shall pay the employee contribution in an amount specified in  
23 the Public Employees Retirement Act for the position in which  
24 the previously retired member is employed.

25 H. The pension of a member who has three or more

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1 years of service credit under each of two or more coverage  
2 plans shall be determined in accordance with the coverage plan  
3 that produces the highest pension. The pension of a member who  
4 has service credit under two or more coverage plans but who has  
5 three or more years of service credit under only one of those  
6 coverage plans shall be determined in accordance with the  
7 coverage plan in which the member has three or more years of  
8 service credit. If the service credit is acquired under two  
9 different coverage plans applied to the same affiliated public  
10 employer as a consequence of an election by the members,  
11 adoption by the affiliated public employer or a change in the  
12 law that results in the application of a coverage plan with a  
13 greater pension, the greater pension shall be paid a member  
14 retiring from the affiliated public employer under which the  
15 change in coverage plan took place regardless of the amount of  
16 service credit under the coverage plan producing the greater  
17 pension; provided that the member has three or more years of  
18 continuous employment with that affiliated public employer  
19 immediately preceding or immediately preceding and immediately  
20 following the date the coverage plan changed. The provisions  
21 of each coverage plan for the purpose of this subsection shall  
22 be those in effect at the time the member ceased to be covered  
23 by the coverage plan. "Service credit", for the purposes of  
24 this subsection, shall be only personal service rendered an  
25 affiliated public employer and credited to the member under the

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1 provisions of Subsection A of Section 10-11-4 NMSA 1978.  
2 Service credited under any other provision of the Public  
3 Employees Retirement Act shall not be used to satisfy the  
4 three-year service credit requirement of this subsection."

5 SECTION 2. EFFECTIVE DATE.--The effective date of the  
6 provisions of this act is July 1, 2013.

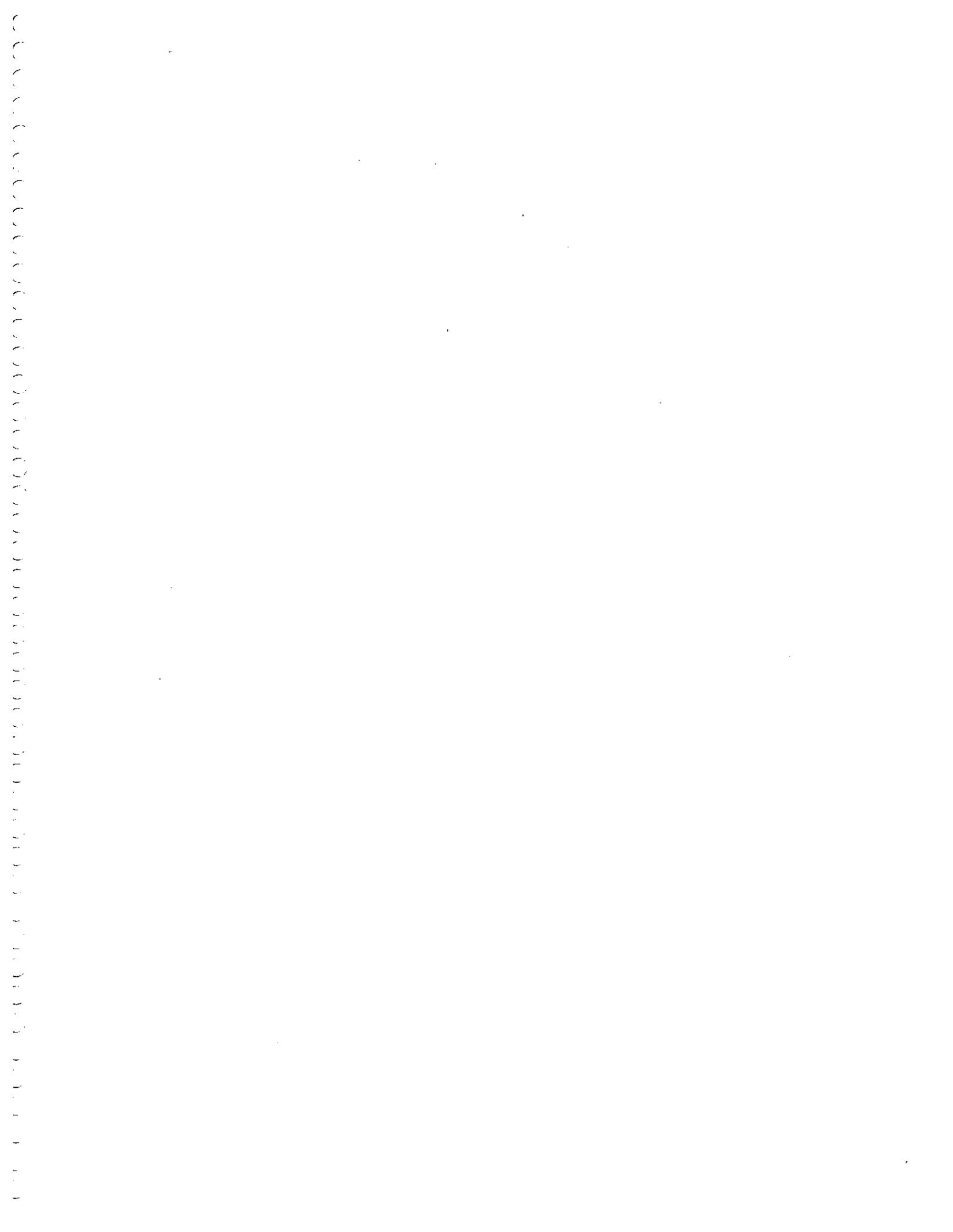
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SENATE BILL  
51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013  
INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PUBLIC EMPLOYEE RETIREMENT; ADDING AN EXCEPTION FOR  
RETIRED STATE POLICE MEMBERS, ADULT CORRECTIONAL MEMBERS AND  
MUNICIPAL POLICE MEMBERS TO THE RETURN TO WORK RESTRICTIONS IN  
THE PUBLIC EMPLOYEES RETIREMENT ACT; ESTABLISHING CONDITIONS  
FOR STATE POLICE, ADULT CORRECTIONAL AND MUNICIPAL POLICE  
MEMBERS TO RETURN TO WORK WITH AN AFFILIATED PUBLIC EMPLOYER  
WHILE CONTINUING TO RECEIVE RETIREMENT BENEFITS.

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

SECTION 1. Section 10-11-8 NMSA 1978 (being Laws 1987,  
Chapter 253, Section 8, as amended) is amended to read:

"10-11-8. NORMAL RETIREMENT--RETURN TO EMPLOYMENT--  
BENEFITS CONTINUED--EMPLOYER CONTRIBUTIONS.--

A. A member may retire upon fulfilling the  
following requirements prior to the selected date of

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1 retirement:

2 (1) a written application for normal  
3 retirement, in the form prescribed by the association, is filed  
4 with the association;

5 (2) employment is terminated with all  
6 employers covered by any state system or the educational  
7 retirement system;

8 (3) the member selects an effective date of  
9 retirement that is the first day of a calendar month; and

10 (4) the member meets the age and service  
11 credit requirement for normal retirement specified in the  
12 coverage plan applicable to the member.

13 B. The amount of normal retirement pension is  
14 determined in accordance with the coverage plan applicable to  
15 the member.

16 C. Except as provided in Subsection D of this  
17 section, on or after July 1, 2010, a retired member may be  
18 subsequently employed by an affiliated public employer only  
19 pursuant to the following provisions:

20 (1) the retired member has not been employed  
21 as an employee of an affiliated public employer or retained as  
22 an independent contractor by the affiliated public employer  
23 from which the retired member retired for at least twelve  
24 consecutive months from the date of retirement to the  
25 commencement of employment or reemployment with an affiliated

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1 public employer;

2 (2) the retired member's pension shall be  
3 suspended upon commencement of the employment;

4 (3) except as provided in Subsection F of this  
5 section, the previously retired member shall not become a  
6 member and thus the previously retired member shall accrue no  
7 service credit and the previously retired member and that  
8 person's affiliated public employer shall make no contributions  
9 under any coverage plan pursuant to the Public Employees  
10 Retirement Act; and

11 (4) upon termination of the subsequent  
12 employment, the previously retired member's pension shall  
13 resume in accordance with the provisions of Subsection A of  
14 this section.

15 D. The provisions of Subsection C of this section  
16 do not apply to:

17 (1) a retired member employed by the  
18 legislature for legislative session work;

19 (2) a retired member employed temporarily as a  
20 precinct board member for a municipal election or an election  
21 covered by the Election Code; ~~[or]~~

22 (3) a retired member who is elected to serve a  
23 term as an elected official; provided that:

24 (a) the retired member files an  
25 irrevocable exemption from membership with the association

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1 within thirty days of taking office; and

2 (b) the irrevocable exemption shall be  
3 for the elected official's term of office; or

4 (4) a state police member, adult correctional  
5 officer member or municipal police member who has not been  
6 employed as an employee of an affiliated public employer or  
7 retained as an independent contractor by the affiliated public  
8 employer from which the member retired for at least ninety  
9 consecutive days from the date of retirement to the  
10 commencement of employment or reemployment with an affiliated  
11 public employer.

12 E. [~~A retired member who returns to employment~~  
13 ~~during retirement pursuant to Subsection D of this section is~~  
14 ~~entitled to receive retirement benefits but is not entitled to~~  
15 ~~accrue service credit or to acquire or purchase service credit~~  
16 ~~in the future for the period of the previously retired member's~~  
17 ~~reemployment with an affiliated public employer]~~

18 In the case of a retired member who returns to employment  
19 during retirement pursuant to:

20 (1) Paragraph (1), (2) or (3) of Subsection D  
21 of this section:

22 (a) the member shall be entitled to the  
23 continuation of retirement benefits;

24 (b) the member shall not accrue service  
25 credit or acquire or purchase service credit in the future for

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1 the period of the previously retired member's reemployment with  
2 an affiliated public employee; and

3 (c) the member and the subsequent  
4 affiliated public employer shall not make the employee and  
5 employer contributions pursuant to the Public Employees  
6 Retirement Act for the appropriate coverage plan otherwise  
7 associated with the member's reemployment; or

8 (2) Paragraph (4) of Subsection D of this  
9 section;

10 (a) the member shall be entitled to the  
11 continuation of retirement benefits;

12 (b) the member shall not accrue service  
13 credit or acquire or purchase service credit in the future for  
14 the period of the previously retired member's reemployment with  
15 an affiliated public employee; and

16 (c) the member and the subsequent  
17 affiliated public employer shall make the employee and employer  
18 contributions pursuant to the Public Employees Retirement Act  
19 for the appropriate coverage plan associated with the member's  
20 reemployment.

21 F. At any time during a previously retired member's  
22 subsequent employment pursuant to Subsection C of this section,  
23 the previously retired member may elect to become a member and  
24 the following conditions shall apply:

25 (1) the previously retired member and the

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1 subsequent affiliated public employer shall make the required  
2 employee and employer contributions, and the previously retired  
3 member shall accrue service credit for the period of subsequent  
4 employment; and

5 (2) when the previously retired member  
6 terminates the subsequent employment with an affiliated public  
7 employer, the previously retired member shall retire according  
8 to the provisions of the Public Employees Retirement Act,  
9 subject to the following conditions:

10 (a) payment of the pension shall resume  
11 in accordance with the provisions of Subsection A of this  
12 section;

13 (b) unless the previously retired member  
14 accrued at least three years of service credit on account of  
15 the subsequent employment, the recalculation of pension shall:  
16 1) employ the form of payment selected by the previously  
17 retired member at the time of the first retirement; and 2) use  
18 the provisions of the coverage plan applicable to the member on  
19 the date of the first retirement; and

20 (c) the recalculated pension shall not  
21 be less than the amount of the suspended pension.

22 G. A previously retired member who returned to work  
23 with an affiliated public employer prior to July 1, 2010 shall  
24 be subject to the provisions of this section in effect on the  
25 date the previously retired member returned to work; provided

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1 that, on and after July 1, 2010, the previously retired member  
2 shall pay the employee contribution in an amount specified in  
3 the Public Employees Retirement Act for the position in which  
4 the previously retired member is employed.

5 H. The pension of a member who has three or more  
6 years of service credit under each of two or more coverage  
7 plans shall be determined in accordance with the coverage plan  
8 that produces the highest pension. The pension of a member who  
9 has service credit under two or more coverage plans but who has  
10 three or more years of service credit under only one of those  
11 coverage plans shall be determined in accordance with the  
12 coverage plan in which the member has three or more years of  
13 service credit. If the service credit is acquired under two  
14 different coverage plans applied to the same affiliated public  
15 employer as a consequence of an election by the members,  
16 adoption by the affiliated public employer or a change in the  
17 law that results in the application of a coverage plan with a  
18 greater pension, the greater pension shall be paid a member  
19 retiring from the affiliated public employer under which the  
20 change in coverage plan took place regardless of the amount of  
21 service credit under the coverage plan producing the greater  
22 pension; provided that the member has three or more years of  
23 continuous employment with that affiliated public employer  
24 immediately preceding or immediately preceding and immediately  
25 following the date the coverage plan changed. The provisions

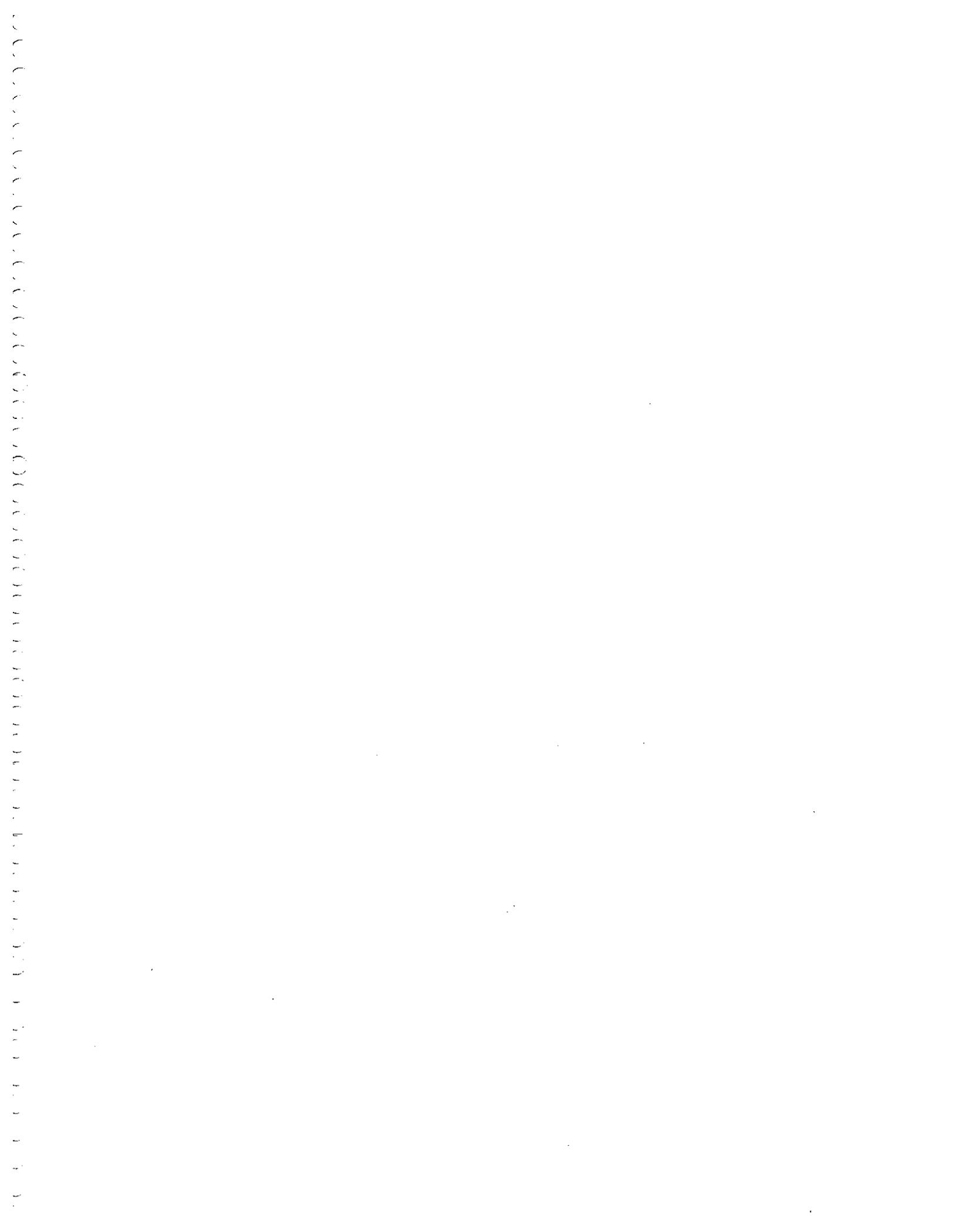
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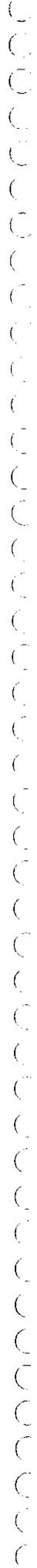
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1 of each coverage plan for the purpose of this subsection shall  
2 be those in effect at the time the member ceased to be covered  
3 by the coverage plan. "Service credit", for the purposes of  
4 this subsection, shall be only personal service rendered an  
5 affiliated public employer and credited to the member under the  
6 provisions of Subsection A of Section 10-11-4 NMSA 1978.  
7 Service credited under any other provision of the Public  
8 Employees Retirement Act shall not be used to satisfy the  
9 three-year service credit requirement of this subsection."

10 SECTION 2. EFFECTIVE DATE.--The effective date of the  
11 provisions of this act is July 1, 2013.

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BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PENSIONS; AMENDING THE PUBLIC EMPLOYEES RETIREMENT ACT, THE MAGISTRATE RETIREMENT ACT AND THE JUDICIAL RETIREMENT ACT; AUTHORIZING THE PUBLIC EMPLOYEES RETIREMENT ASSOCIATION TO DETERMINE AND IMPOSE SUPPLEMENTAL MEMBER CONTRIBUTION RATES AND COST-OF-LIVING ADJUSTMENTS FOR MEMBERS AND RETIRED MEMBERS.

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

SECTION 1. Section 10-11-26.5 NMSA 1978 (being Laws 1994, Chapter 128, Section 6, as amended) is amended to read:

"10-11-26.5. STATE GENERAL MEMBER COVERAGE PLAN 3--MEMBER CONTRIBUTION RATE.--

A. A member under state general member coverage plan 3 shall contribute seven and forty-two hundredths percent of salary starting with the first full pay period that ends within the calendar month in which state general member

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1 coverage plan 3 becomes applicable to the member [~~except that~~  
2 ~~for members whose annual salary is greater than twenty thousand~~  
3 ~~dollars (\$20,000):~~

4 ~~A. from July 1, 2009 through June 30, 2011, the~~  
5 ~~member contribution rate shall be eight and ninety-two~~  
6 ~~hundredths percent of salary;~~

7 ~~B. from July 1, 2011 through June 30, 2012, the~~  
8 ~~member contribution rate shall be ten and sixty-seven~~  
9 ~~hundredths percent of salary; and~~

10 ~~C. from July 1, 2012 through June 30, 2013, the~~  
11 ~~member contribution rate shall be eight and ninety-two~~  
12 ~~hundredths percent of salary].~~

13 B. In addition to the member contribution required  
14 pursuant to Subsection A of this section, a member under state  
15 general member coverage plan 3 shall make a supplemental  
16 contribution as determined by the retirement board. The rate  
17 of the supplemental contribution, if any, shall be determined  
18 annually and shall take effect on July 1 of each year or in the  
19 first full pay period that ends within the calendar month in  
20 which state general member coverage plan 3 becomes applicable  
21 to the member. In determining the supplemental contribution  
22 rate, the retirement board shall:

23 (1) consider the solvency of the coverage plan  
24 and whether the plan is projected to be ninety percent funded  
25 within thirty years;

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1                   (2) consider any other relevant factors as  
2 determined by the retirement board;

3                   (3) not set a supplemental contribution rate  
4 in excess of thirty-five percent of the contribution rate set  
5 forth in Subsection A of this section; and

6                   (4) act to enhance or preserve the actuarial  
7 soundness of the plan."

8           SECTION 2. Section 10-11-38.5 NMSA 1978 (being Laws 1994,  
9 Chapter 128, Section 13, as amended) is amended to read:

10           "10-11-38.5. STATE HAZARDOUS DUTY MEMBER COVERAGE PLAN  
11 2--MEMBER CONTRIBUTION RATE.--

12           A. A member under state hazardous duty member  
13 coverage plan 2 shall contribute four and seventy-eight  
14 hundredths percent of salary starting with the first full pay  
15 period that ends within the calendar month in which state  
16 hazardous duty member coverage plan 2 becomes applicable to the  
17 member [except that for members whose annual salary is greater  
18 than twenty thousand dollars (\$20,000):

19           A. from July 1, 2009 through June 30, 2011, the  
20 member contribution rate shall be six and twenty-eight  
21 hundredths percent of salary;

22           B. from July 1, 2011 through June 30, 2012, the  
23 member contribution rate shall be eight and three-hundredths  
24 percent of salary; and

25           C. from July 1, 2012 through June 30, 2013, the

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1 ~~member contribution rate shall be six and twenty-eight~~  
2 ~~hundredths percent of salary].~~

3 B. In addition to the member contribution required  
4 pursuant to Subsection A of this section, a member under state  
5 hazardous duty member coverage plan 2 shall make a supplemental  
6 contribution as determined by the retirement board. The rate  
7 of the supplemental contribution, if any, shall be determined  
8 annually and shall take effect on July 1 of each year or in the  
9 first full pay period that ends within the calendar month in  
10 which state hazardous duty member coverage plan 2 becomes  
11 applicable to the member. In determining the supplemental  
12 contribution rate, the retirement board shall:

13 (1) consider the solvency of the coverage plan  
14 and whether the plan is projected to be ninety percent funded  
15 within thirty years;

16 (2) consider any other relevant factors as  
17 determined by the retirement board;

18 (3) not set a supplemental contribution rate  
19 in excess of thirty-five percent of the contribution rate set  
20 forth in Subsection A of this section; and

21 (4) act to enhance or preserve the actuarial  
22 soundness of the plan."

23 SECTION 3. Section 10-11-48 NMSA 1978 (being Laws 1987,  
24 Chapter 253, Section 48) is amended to read:

25 "10-11-48. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--

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1 MEMBER CONTRIBUTION RATE.--

2 A. A member under municipal general member coverage  
3 plan 1 shall contribute seven percent of salary.

4 B. In addition to the member contribution required  
5 pursuant to Subsection A of this section, a member under  
6 municipal general member coverage plan 1 shall make a  
7 supplemental contribution as determined by the retirement  
8 board. The rate of the supplemental contribution, if any,  
9 shall be determined annually and shall take effect on July 1 of  
10 each year or in the first full pay period that ends within the  
11 calendar month in which municipal general member coverage plan  
12 1 becomes applicable to the member. In determining the  
13 supplemental contribution rate, the retirement board shall:

14 (1) consider the solvency of the coverage plan  
15 and whether the plan is projected to be ninety percent funded  
16 within thirty years;

17 (2) consider any other relevant factors as  
18 determined by the retirement board;

19 (3) not set a supplemental contribution rate  
20 in excess of thirty-five percent of the contribution rate set  
21 forth in Subsection A of this section; and

22 (4) act to enhance or preserve the actuarial  
23 soundness of the plan."

24 SECTION 4. Section 10-11-54 NMSA 1978 (being Laws 1987,  
25 Chapter 253, Section 54) is amended to read:

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1 "10-11-54. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--  
2 MEMBER CONTRIBUTION RATE.--

3 A. A member under municipal general member coverage  
4 plan 2 shall contribute nine and [~~fifteen one-hundredths~~]  
5 fifteen-hundredths percent of salary starting with the first  
6 full pay period in the calendar month in which coverage plan 2  
7 becomes applicable to the member.

8 B. In addition to the member contribution required  
9 pursuant to Subsection A of this section, a member under  
10 municipal general member coverage plan 2 shall make a  
11 supplemental contribution as determined by the retirement  
12 board. The rate of the supplemental contribution, if any,  
13 shall be determined annually and shall take effect on July 1 of  
14 each year or in the first full pay period that ends within the  
15 calendar month in which municipal general member coverage plan  
16 2 becomes applicable to the member. In determining the  
17 supplemental contribution rate, the retirement board shall:

18 (1) consider the solvency of the coverage plan  
19 and whether the plan is projected to be ninety percent funded  
20 within thirty years;

21 (2) consider any other relevant factors as  
22 determined by the retirement board;

23 (3) not set a supplemental contribution rate  
24 in excess of thirty-five percent of the contribution rate set  
25 forth in Subsection A of this section; and

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1                   (4) act to enhance or preserve the actuarial  
2 soundness of the plan."

3           SECTION 5. Section 10-11-55.5 NMSA 1978 (being Laws 1993,  
4 Chapter 58, Section 5) is amended to read:

5           "10-11-55.5. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
6 MEMBER CONTRIBUTION RATE.--

7           A. A member under municipal general member coverage  
8 plan 3 shall contribute thirteen and [~~fifteen one-hundredths~~  
9 fifteen-hundredths percent of salary starting with the first  
10 full pay period in the calendar month in which coverage plan 3  
11 becomes applicable to the member.

12           B. In addition to the member contribution required  
13 pursuant to Subsection A of this section, a member under  
14 municipal general member coverage plan 3 shall make a  
15 supplemental contribution as determined by the retirement  
16 board. The rate of the supplemental contribution, if any,  
17 shall be determined annually and shall take effect on July 1 of  
18 each year or in the first full pay period that ends within the  
19 calendar month in which municipal general member coverage plan  
20 3 becomes applicable to the member. In determining the  
21 supplemental contribution rate, the retirement board shall:

22                   (1) consider the solvency of the coverage plan  
23 and whether the plan is projected to be ninety percent funded  
24 within thirty years;

25                   (2) consider any other relevant factors as

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1 determined by the retirement board;

2 (3) not set a supplemental contribution rate  
3 in excess of thirty-five percent of the contribution rate set  
4 forth in Subsection A of this section; and

5 (4) act to enhance or preserve the actuarial  
6 soundness of the plan."

7 SECTION 6. Section 10-11-55.11 NMSA 1978 (being Laws  
8 1998, Chapter 106, Section 5) is amended to read:

9 "10-11-55.11. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
10 MEMBER CONTRIBUTION RATE.--

11 A. A member under municipal general member coverage  
12 plan 4 shall contribute fifteen and sixty-five hundredths  
13 percent of salary starting with the first full pay period in  
14 the calendar month in which coverage plan 4 becomes applicable  
15 to the member.

16 B. In addition to the member contribution required  
17 pursuant to Subsection A of this section, a member under  
18 municipal general member coverage plan 4 shall make a  
19 supplemental contribution as determined by the retirement  
20 board. The rate of the supplemental contribution, if any,  
21 shall be determined annually and shall take effect on July 1 of  
22 each year or in the first full pay period that ends within the  
23 calendar month in which municipal general member coverage plan  
24 4 becomes applicable to the member. In determining the  
25 supplemental contribution rate, the retirement board shall:

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1                   (1) consider the solvency of the coverage plan  
2 and whether the plan is projected to be ninety percent funded  
3 within thirty years;

4                   (2) consider any other relevant factors as  
5 determined by the retirement board;

6                   (3) not set a supplemental contribution rate  
7 in excess of thirty-five percent of the contribution rate set  
8 forth in Subsection A of this section; and

9                   (4) act to enhance or preserve the actuarial  
10 soundness of the plan."

11           SECTION 7. Section 10-11-60 NMSA 1978 (being Laws 1987,  
12 Chapter 253, Section 60) is amended to read:

13           "10-11-60. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1--  
14 MEMBER CONTRIBUTION RATE.--

15           A. A member under municipal police member coverage  
16 plan 1 shall contribute seven percent of salary.

17           B. In addition to the member contribution required  
18 pursuant to Subsection A of this section, a member under  
19 municipal police member coverage plan 1 shall make a  
20 supplemental contribution as determined by the retirement  
21 board. The rate of the supplemental contribution, if any,  
22 shall be determined annually and shall take effect on July 1 of  
23 each year or in the first full pay period that ends within the  
24 calendar month in which municipal police member coverage plan 1  
25 becomes applicable to the member. In determining the

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1 supplemental contribution rate, the retirement board shall:

2 (1) consider the solvency of the coverage plan  
3 and whether the plan is projected to be ninety percent funded  
4 within thirty years;

5 (2) consider any other relevant factors as  
6 determined by the retirement board;

7 (3) not set a supplemental contribution rate  
8 in excess of thirty-five percent of the contribution rate set  
9 forth in Subsection A of this section; and

10 (4) act to enhance or preserve the actuarial  
11 soundness of the plan."

12 SECTION 8. Section 10-11-66 NMSA 1978 (being Laws 1987,  
13 Chapter 253, Section 66) is amended to read:

14 "10-11-66. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--  
15 MEMBER CONTRIBUTION RATE.--

16 A. A member under municipal police member coverage  
17 plan 2 shall contribute seven percent of salary.

18 B. In addition to the member contribution required  
19 pursuant to Subsection A of this section, a member under  
20 municipal police member coverage plan 2 shall make a  
21 supplemental contribution as determined by the retirement  
22 board. The rate of the supplemental contribution, if any,  
23 shall be determined annually and shall take effect on July 1 of  
24 each year or in the first full pay period that ends within the  
25 calendar month in which municipal police member coverage plan 2

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1 becomes applicable to the member. In determining the  
2 supplemental contribution rate, the retirement board shall:

3 (1) consider the solvency of the coverage plan  
4 and whether the plan is projected to be ninety percent funded  
5 within thirty years;

6 (2) consider any other relevant factors as  
7 determined by the retirement board;

8 (3) not set a supplemental contribution rate  
9 in excess of thirty-five percent of the contribution rate set  
10 forth in Subsection A of this section; and

11 (4) act to enhance or preserve the actuarial  
12 soundness of the plan."

13 SECTION 9. Section 10-11-72 NMSA 1978 (being Laws 1987,  
14 Chapter 253, Section 72) is amended to read:

15 "10-11-72. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--  
16 MEMBER CONTRIBUTION RATE.--

17 A. A member under municipal police member coverage  
18 plan 3 shall contribute seven percent of salary.

19 B. In addition to the member contribution required  
20 pursuant to Subsection A of this section, a member under  
21 municipal police member coverage plan 3 shall make a  
22 supplemental contribution as determined by the retirement  
23 board. The rate of the supplemental contribution, if any,  
24 shall be determined annually and shall take effect on July 1 of  
25 each year or in the first full pay period that ends within the

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1 calendar month in which municipal police member coverage plan 3  
2 becomes applicable to the member. In determining the  
3 supplemental contribution rate, the retirement board shall:

4 (1) consider the solvency of the coverage plan  
5 and whether the plan is projected to be ninety percent funded  
6 within thirty years;

7 (2) consider any other relevant factors as  
8 determined by the retirement board;

9 (3) not set a supplemental contribution rate  
10 in excess of thirty-five percent of the contribution rate set  
11 forth in Subsection A of this section; and

12 (4) act to enhance or preserve the actuarial  
13 soundness of the plan."

14 SECTION 10. Section 10-11-78 NMSA 1978 (being Laws 1987,  
15 Chapter 253, Section 78) is amended to read:

16 "10-11-78. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--  
17 MEMBER CONTRIBUTION RATE.--

18 A. A member under municipal police member coverage  
19 plan 4 shall contribute twelve and thirty-five [~~one-hundredths~~]  
20 hundredths percent of salary starting with the first full pay  
21 period in the calendar month in which municipal police member  
22 coverage plan 4 becomes applicable to the member.

23 B. In addition to the member contribution required  
24 pursuant to Subsection A of this section, a member under  
25 municipal police member coverage plan 4 shall make a

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1 supplemental contribution as determined by the retirement  
2 board. The rate of the supplemental contribution, if any,  
3 shall be determined annually and shall take effect on July 1 of  
4 each year or in the first full pay period that ends within the  
5 calendar month in which municipal police member coverage plan 4  
6 becomes applicable to the member. In determining the  
7 supplemental contribution rate, the retirement board shall:

8 (1) consider the solvency of the coverage plan  
9 and whether the plan is projected to be ninety percent funded  
10 within thirty years;

11 (2) consider any other relevant factors as  
12 determined by the retirement board;

13 (3) not set a supplemental contribution rate  
14 in excess of thirty-five percent of the contribution rate set  
15 forth in Subsection A of this section; and

16 (4) act to enhance or preserve the actuarial  
17 soundness of the plan."

18 SECTION 11. Section 10-11-84 NMSA 1978 (being Laws 1987,  
19 Chapter 253, Section 84) is amended to read:

20 "10-11-84. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--  
21 MEMBER CONTRIBUTION RATE.--

22 A. A member under municipal police member coverage  
23 plan 5 shall contribute sixteen and three-tenths percent of  
24 salary starting with the first full pay period in the calendar  
25 month in which municipal police member coverage plan 5 becomes

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1 applicable to the member.

2 B. In addition to the member contribution required  
3 pursuant to Subsection A of this section, a member under  
4 municipal police member coverage plan 5 shall make a  
5 supplemental contribution as determined by the retirement  
6 board. The rate of the supplemental contribution, if any,  
7 shall be determined annually and shall take effect on July 1 of  
8 each year or in the first full pay period that ends within the  
9 calendar month in which municipal police member coverage plan 5  
10 becomes applicable to the member. In determining the  
11 supplemental contribution rate, the retirement board shall:

12 (1) consider the solvency of the coverage plan  
13 and whether the plan is projected to be ninety percent funded  
14 within thirty years;

15 (2) consider any other relevant factors as  
16 determined by the retirement board;

17 (3) not set a supplemental contribution rate  
18 in excess of thirty-five percent of the contribution rate set  
19 forth in Subsection A of this section; and

20 (4) act to enhance or preserve the actuarial  
21 soundness of the plan."

22 SECTION 12. Section 10-11-90 NMSA 1978 (being Laws 1987,  
23 Chapter 253, Section 90, as amended) is amended to read:

24 "10-11-90. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1--MEMBER  
25 CONTRIBUTION RATE.--

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1           A. A member under municipal fire member coverage  
2 plan 1 shall contribute eight percent of salary.

3           B. In addition to the member contribution required  
4 pursuant to Subsection A of this section, a member under  
5 municipal fire member coverage plan 1 shall make a supplemental  
6 contribution as determined by the retirement board. The rate  
7 of the supplemental contribution, if any, shall be determined  
8 annually and shall take effect on July 1 of each year or in the  
9 first full pay period that ends within the calendar month in  
10 which municipal fire member coverage plan 1 becomes applicable  
11 to the member. In determining the supplemental contribution  
12 rate, the retirement board shall:

13                   (1) consider the solvency of the coverage plan  
14 and whether the plan is projected to be ninety percent funded  
15 within thirty years;

16                   (2) consider any other relevant factors as  
17 determined by the retirement board;

18                   (3) not set a supplemental contribution rate  
19 in excess of thirty-five percent of the contribution rate set  
20 forth in Subsection A of this section; and

21                   (4) act to enhance or preserve the actuarial  
22 soundness of the plan."

23           SECTION 13. Section 10-11-96 NMSA 1978 (being Laws 1987,  
24 Chapter 253, Section 96, as amended) is amended to read:

25           "10-11-96. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2--MEMBER

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1 CONTRIBUTION RATE.--

2 A. A member under municipal fire member coverage  
3 plan 2 shall contribute eight percent of salary.

4 B. In addition to the member contribution required  
5 pursuant to Subsection A of this section, a member under  
6 municipal fire member coverage plan 2 shall make a supplemental  
7 contribution as determined by the retirement board. The rate  
8 of the supplemental contribution, if any, shall be determined  
9 annually and shall take effect on July 1 of each year or in the  
10 first full pay period that ends within the calendar month in  
11 which municipal fire member coverage plan 2 becomes applicable  
12 to the member. In determining the supplemental contribution  
13 rate, the retirement board shall:

14 (1) consider the solvency of the coverage plan  
15 and whether the plan is projected to be ninety percent funded  
16 within thirty years;

17 (2) consider any other relevant factors as  
18 determined by the retirement board;

19 (3) not set a supplemental contribution rate  
20 in excess of thirty-five percent of the contribution rate set  
21 forth in Subsection A of this section; and

22 (4) act to enhance or preserve the actuarial  
23 soundness of the plan."

24 SECTION 14. Section 10-11-102 NMSA 1978 (being Laws 1987,  
25 Chapter 253, Section 102, as amended) is amended to read:

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1 "10-11-102. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--MEMBER  
2 CONTRIBUTION RATE.--

3 A. A member under municipal fire member coverage  
4 plan 3 shall contribute eight percent of salary.

5 B. In addition to the member contribution required  
6 pursuant to Subsection A of this section, a member under  
7 municipal fire member coverage plan 3 shall make a supplemental  
8 contribution as determined by the retirement board. The rate  
9 of the supplemental contribution, if any, shall be determined  
10 annually and shall take effect on July 1 of each year or in the  
11 first full pay period that ends within the calendar month in  
12 which municipal fire member coverage plan 3 becomes applicable  
13 to the member. In determining the supplemental contribution  
14 rate, the retirement board shall:

15 (1) consider the solvency of the coverage plan  
16 and whether the plan is projected to be ninety percent funded  
17 within thirty years;

18 (2) consider any other relevant factors as  
19 determined by the retirement board;

20 (3) not set a supplemental contribution rate  
21 in excess of thirty-five percent of the contribution rate set  
22 forth in Subsection A of this section; and

23 (4) act to enhance or preserve the actuarial  
24 soundness of the plan."

25 SECTION 15. Section 10-11-108 NMSA 1978 (being Laws 1987,  
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1 Chapter 253, Section 108, as amended) is amended to read:  
2 "10-11-108. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--MEMBER  
3 CONTRIBUTION RATE.--

4 A. A member under municipal fire member coverage  
5 plan 4 shall contribute twelve and eight-tenths percent of  
6 salary.

7 B. In addition to the member contribution required  
8 pursuant to Subsection A of this section, a member under  
9 municipal fire member coverage plan 4 shall make a supplemental  
10 contribution as determined by the retirement board. The rate  
11 of the supplemental contribution, if any, shall be determined  
12 annually and shall take effect on July 1 of each year or in the  
13 first full pay period that ends within the calendar month in  
14 which municipal fire member coverage plan 4 becomes applicable  
15 to the member. In determining the supplemental contribution  
16 rate, the retirement board shall:

17 (1) consider the solvency of the coverage plan  
18 and whether the plan is projected to be ninety percent funded  
19 within thirty years;

20 (2) consider any other relevant factors as  
21 determined by the retirement board;

22 (3) not set a supplemental contribution rate  
23 in excess of thirty-five percent of the contribution rate set  
24 forth in Subsection A of this section; and

25 (4) act to enhance or preserve the actuarial

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1 soundness of the plan."

2 SECTION 16. Section 10-11-114 NMSA 1978 (being Laws 1987,  
3 Chapter 253, Section 114, as amended) is amended to read:

4 "10-11-114. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--MEMBER  
5 CONTRIBUTION RATE.--

6 A. A member under municipal fire member coverage  
7 plan 5 shall contribute sixteen and two-tenths percent of  
8 salary.

9 B. In addition to the member contribution required  
10 pursuant to Subsection A of this section, a member under  
11 municipal fire member coverage plan 5 shall make a supplemental  
12 contribution as determined by the retirement board. The rate  
13 of the supplemental contribution, if any, shall be determined  
14 annually and shall take effect on July 1 of each year or in the  
15 first full pay period that ends within the calendar month in  
16 which municipal fire member coverage plan 5 becomes applicable  
17 to the member. In determining the supplemental contribution  
18 rate, the retirement board shall:

19 (1) consider the solvency of the coverage plan  
20 and whether the plan is projected to be ninety percent funded  
21 within thirty years;

22 (2) consider any other relevant factors as  
23 determined by the retirement board;

24 (3) not set a supplemental contribution rate  
25 in excess of thirty-five percent of the contribution rate set

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1 forth in Subsection A of this section; and

2 (4) act to enhance or preserve the actuarial  
3 soundness of the plan."

4 SECTION 17. Section 10-11-115.5 NMSA 1978 (being Laws  
5 2003, Chapter 268, Section 6) is amended to read:

6 "10-11-115.5. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE  
7 PLAN 1--MEMBER CONTRIBUTION RATE.--

8 A. A member under municipal detention officer  
9 member coverage plan 1 shall contribute sixteen and sixty-five  
10 hundredths percent of salary starting with the first full pay  
11 period that ends within the calendar month in which municipal  
12 detention officer member coverage plan 1 becomes applicable to  
13 the member.

14 B. In addition to the member contribution required  
15 pursuant to Subsection A of this section, a member under  
16 municipal detention officer member coverage plan 1 shall make a  
17 supplemental contribution as determined by the retirement  
18 board. The rate of the supplemental contribution, if any,  
19 shall be determined annually and shall take effect on July 1 of  
20 each year or in the first full pay period that ends within the  
21 calendar month in which municipal detention officer member  
22 coverage plan 1 becomes applicable to the member. In  
23 determining the supplemental contribution rate, the retirement  
24 board shall:

25 (1) consider the solvency of the coverage plan

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1 and whether the plan is projected to be ninety percent funded  
2 within thirty years;

3 (2) consider any other relevant factors as  
4 determined by the retirement board;

5 (3) not set a supplemental contribution rate  
6 in excess of thirty-five percent of the contribution rate set  
7 forth in Subsection A of this section; and

8 (4) act to enhance or preserve the actuarial  
9 soundness of the plan."

10 SECTION 18. Section 10-11-118 NMSA 1978 (being Laws 1987,  
11 Chapter 253, Section 118, as amended) is amended to read:

12 "10-11-118. COST-OF-LIVING ADJUSTMENTS.--

13 A. ~~[For the purposes of this section:~~

14 ~~(1) "preceding calendar year" means the~~  
15 ~~twelve-month period ending on the December 31 preceding the~~  
16 ~~July 1 in which pensions are being adjusted; and~~

17 ~~(2) "second preceding calendar year" means the~~  
18 ~~full calendar year prior to the preceding calendar year.]~~ On  
19 March 1 of each year, the retirement board shall determine the  
20 funded status of each coverage plan in the state system. On  
21 May 1 of each year, the retirement board shall determine for  
22 each coverage plan a cost-of-living adjustment that is no less  
23 than zero percent and no greater than three percent. In  
24 determining the percentage of a cost-of-living adjustment, the  
25 retirement board shall:

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1                   (1) consider the solvency of that plan and  
2 whether the plan is projected to be ninety percent funded  
3 within thirty years;

4                   (2) consider the change, if any, in the  
5 consumer price index for the previous twelve months;

6                   (3) consider any other relevant factors as  
7 determined by the retirement board; and

8                   (4) act to enhance or preserve the actuarial  
9 soundness of the plan.

10                   B. The amount of pension payable to a qualified  
11 pension recipient [~~shall~~] may be increased [~~three percent~~] each  
12 July 1. The amount of the increase shall be determined by  
13 multiplying the amount of pension inclusive of all prior  
14 adjustments by [~~three percent~~] a cost-of-living adjustment  
15 determined by the retirement board pursuant to Subsection A of  
16 this section.

17                   C. A qualified pension recipient is:

18                   (1) a normal retired member who has been  
19 retired for at least two full calendar years from the effective  
20 date of the latest retirement prior to July 1 of the year in  
21 which the pension is being adjusted;

22                   (2) a normal retired member who has attained  
23 age sixty-five years and been retired for at least one full  
24 calendar year from the effective date of the latest retirement  
25 prior to July 1 of the year in which the pension is being

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1 adjusted;

2 (3) a disability retired member who has been  
3 retired for at least one full calendar year from the effective  
4 date of the latest retirement prior to July 1 of the year in  
5 which the pension is being adjusted;

6 (4) a survivor beneficiary who has received a  
7 survivor pension for at least two full calendar years; or

8 (5) a survivor beneficiary of a deceased  
9 retired member who otherwise would have been retired at least  
10 two full calendar years from the effective date of the latest  
11 retirement prior to July 1 of the year in which the pension is  
12 being adjusted.

13 D. A qualified pension recipient may decline an  
14 increase in a pension by giving the association written notice  
15 of the decision to decline the increase at least thirty days  
16 prior to the date the increase would take effect."

17 SECTION 19. Section 10-12B-10 NMSA 1978 (being Laws 1992,  
18 Chapter 111, Section 10, as amended) is amended to read:

19 "10-12B-10. MEMBER CONTRIBUTIONS--TAX TREATMENT.--

20 A. Members, while in office, shall contribute to  
21 the member contribution fund ~~[pursuant to the following~~  
22 ~~schedule:~~

23 ~~(1) prior to July 1, 2005, five and one-half~~  
24 ~~percent of salary;~~

25 ~~(2) from July 1, 2005 through June 30, 2006,~~

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1 ~~six and one-half percent of salary; and~~

2 ~~(3) on and after July 1, 2006] seven and one-~~  
3 ~~half percent of salary [except that for members whose annual~~  
4 ~~salary is greater than twenty thousand dollars (\$20,000):~~

5 ~~(a) from July 1, 2009 through June 30,~~  
6 ~~2011, the member contribution rate shall be nine percent of~~  
7 ~~salary;~~

8 ~~(b) from July 1, 2011 through June 30,~~  
9 ~~2012, the member contribution rate shall be ten and three-~~  
10 ~~fourths percent of salary; and~~

11 ~~(c) from July 1, 2012 through June 30,~~  
12 ~~2013, the member contribution rate shall be nine percent of~~  
13 ~~salary].~~

14 B. In addition to the member contribution required  
15 pursuant to Subsection A of this section, a member under the  
16 Judicial Retirement Act shall make a supplemental contribution  
17 as determined by the retirement board. The rate of the  
18 supplemental contribution, if any, shall be determined annually  
19 and shall take effect on July 1 of each year or in the first  
20 full pay period that the member is in office. In determining  
21 the supplemental contribution rate, the retirement board shall:

22 (1) consider the solvency of the coverage plan  
23 and whether the plan is projected to be ninety percent funded  
24 within thirty years;

25 (2) consider any other relevant factors as

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1 determined by the retirement board;

2 (3) not set a supplemental contribution rate  
3 in excess of thirty-five percent of the contribution rate set  
4 forth in Subsection A of this section; and

5 (4) act to enhance or preserve the actuarial  
6 soundness of the plan.

7 ~~[B-]~~ C. Upon implementation, the state, acting as  
8 employer of members covered pursuant to the provisions of the  
9 Judicial Retirement Act, shall, solely for the purpose of  
10 compliance with Section 414(h) of the Internal Revenue Code of  
11 1986, pick up for the purposes specified in that section member  
12 contributions required by this section for all annual salary  
13 earned by the member. Member contributions picked up pursuant  
14 to the provisions of this section shall be treated as employer  
15 contributions for purposes of determining income tax  
16 obligations under the Internal Revenue Code of 1986; however,  
17 such picked-up member contributions shall be included in the  
18 determination of the member's gross annual salary for all other  
19 purposes under federal and state laws. Member contributions  
20 picked up pursuant to the provisions of this section shall  
21 continue to be designated member contributions for all purposes  
22 of the Judicial Retirement Act and shall be considered as part  
23 of the member's annual salary for purposes of determining the  
24 amount of the member's contribution. The provisions of this  
25 section are mandatory, and the member shall have no option

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1 concerning the pickup or concerning the receipt of the  
2 contributed amounts directly instead of having the amounts paid  
3 by the employer to the retirement system. Implementation  
4 occurs upon authorization by the board. In no event may  
5 implementation occur other than at the beginning of a pay  
6 period applicable to the member."

7 SECTION 20. Section 10-12C-10 NMSA 1978 (being Laws 1992,  
8 Chapter 118, Section 10, as amended) is amended to read:

9 "10-12C-10. MEMBER CONTRIBUTIONS--TAX TREATMENT.--

10 A. Members, while in office, shall contribute [the  
11 following amounts] to the member contribution fund

12 [~~(1) through June 30, 2006, six and one-half~~  
13 ~~percent of salary; and~~

14 ~~(2) on and after July 1, 2006] seven and one-~~  
15 ~~half percent of salary [except that for members whose annual~~  
16 ~~salary is greater than twenty thousand dollars (\$20,000):~~

17 ~~(a) from July 1, 2009 through June 30,~~  
18 ~~2011, the member contribution rate shall be nine percent of~~  
19 ~~salary;~~

20 ~~(b) from July 1, 2011 through June 30,~~  
21 ~~2012, the member contribution rate shall be ten and three-~~  
22 ~~fourths percent of salary; and~~

23 ~~(c) from July 1, 2012 through June 30,~~  
24 ~~2013, the member contribution rate shall be nine percent of~~  
25 ~~salary].~~

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1           B. In addition to the member contribution required  
2 pursuant to Subsection A of this section, a member under the  
3 Magistrate Retirement Act shall make a supplemental  
4 contribution as determined by the retirement board. The rate  
5 of the supplemental contribution, if any, shall be determined  
6 annually and shall take effect on July 1 of each year or in the  
7 first full pay period that the member is in office. In  
8 determining the supplemental contribution rate, the retirement  
9 board shall:

10                   (1) consider the solvency of the coverage plan  
11 and whether the plan is projected to be ninety percent funded  
12 within thirty years;

13                   (2) consider any other relevant factors as  
14 determined by the retirement board;

15                   (3) not set a supplemental contribution rate  
16 in excess of thirty-five percent of the contribution rate set  
17 forth in Subsection A of this section; and

18                   (4) act to enhance or preserve the actuarial  
19 soundness of the plan.

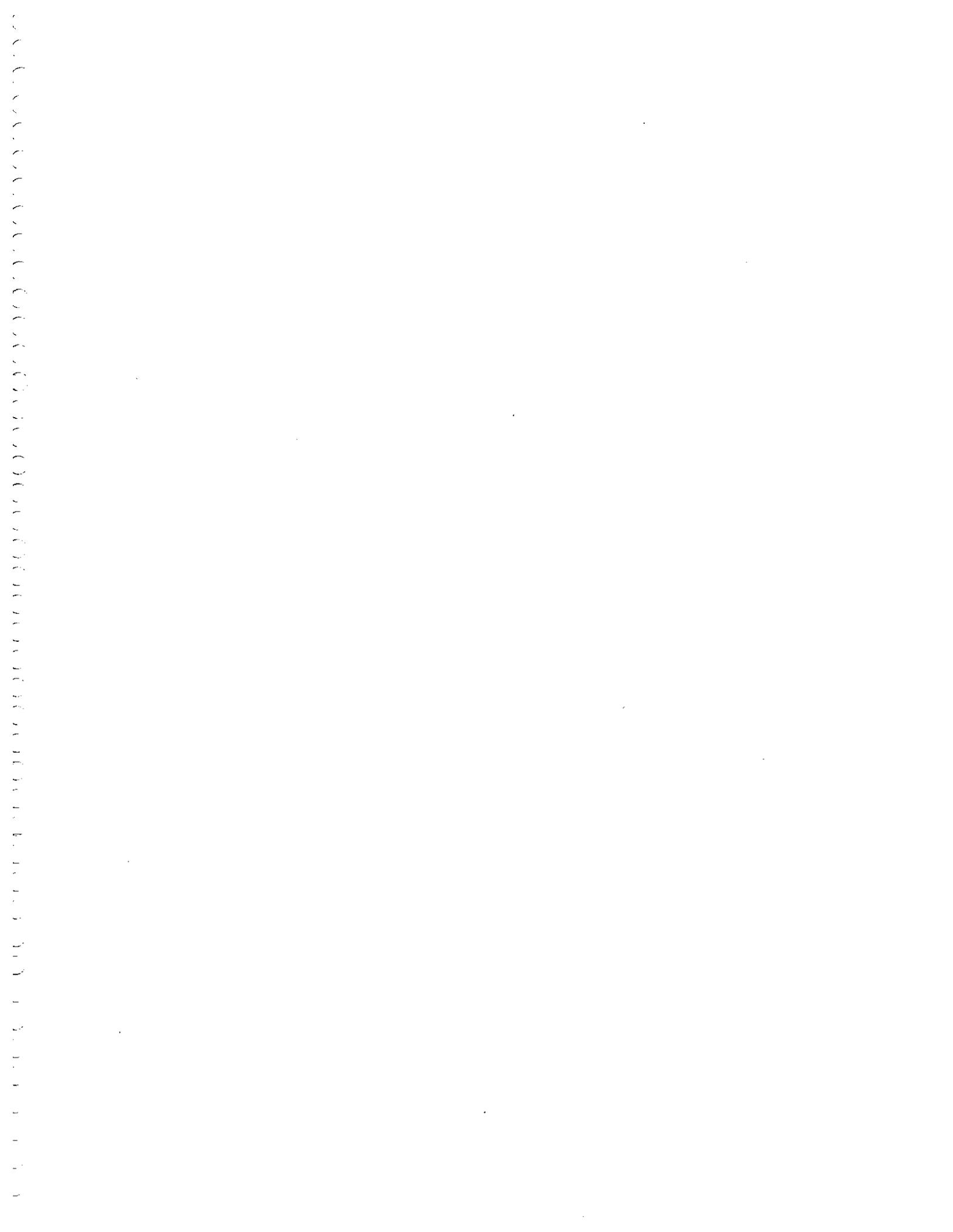
20           [~~B.~~] C. Upon implementation, the state, acting as  
21 employer of members covered pursuant to the provisions of the  
22 Magistrate Retirement Act, shall, solely for the purpose of  
23 compliance with Section 414(h) of the Internal Revenue Code of  
24 1986, pick up for the purposes specified in that section member  
25 contributions required by this section for all annual salary

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1 earned by the member. Member contributions picked up pursuant  
2 to the provisions of this section shall be treated as employer  
3 contributions for purposes of determining income tax  
4 obligations under the Internal Revenue Code of 1986; however,  
5 such picked-up member contributions shall be included in the  
6 determination of the member's gross annual salary for all other  
7 purposes under federal and state laws. Member contributions  
8 picked up pursuant to the provisions of this section shall  
9 continue to be designated member contributions for all purposes  
10 of the Magistrate Retirement Act and shall be considered as  
11 part of the member's annual salary for purposes of determining  
12 the amount of the member's contribution. The provisions of  
13 this section are mandatory, and the member shall have no option  
14 concerning the ~~[pick-up]~~ pickup or concerning the receipt of  
15 the contributed amounts directly instead of having the amounts  
16 paid by the employer to the retirement system. Implementation  
17 occurs upon authorization by the board. In no event may  
18 implementation occur other than at the beginning of a pay  
19 period applicable to the member."

20 SECTION 21. EFFECTIVE DATE.--The effective date of the  
21 provisions of this act is July 1, 2013.





1 SENATE BILL

2 51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

3 INTRODUCED BY

4  
5  
6 DISCUSSION DRAFT

7  
8  
9  
10 AN ACT

11 RELATING TO PENSIONS; AMENDING THE JUDICIAL RETIREMENT ACT AND  
12 THE MAGISTRATE RETIREMENT ACT BY INCREASING EMPLOYER  
13 CONTRIBUTION RATES; INCREASING AGE AND SERVICE REQUIREMENTS FOR  
14 NORMAL RETIREMENT; DECREASING THE PENSION MULTIPLIER FOR  
15 SERVICE CREDIT EARNED AFTER JUNE 30, 2013; DECREASING AND  
16 DELAYING THE COST-OF-LIVING ADJUSTMENT AND INCREASING THE  
17 MAXIMUM PENSION BENEFIT; MAKING AN APPROPRIATION.

18  
19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

20 SECTION 1. Section 10-12B-8 NMSA 1978 (being Laws 1992,  
21 Chapter 111, Section 8, as amended) is amended to read:

22 "10-12B-8. AGE AND SERVICE CREDIT REQUIREMENTS FOR NORMAL  
23 RETIREMENT.--

24 A. For an individual who initially became a member  
25 prior to July 1, 2005, the age and service credit requirements  
.190621.3SA

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1 for retirement provided for in the Judicial Retirement Act are:

2 (1) age [~~sixty-four~~] sixty-five years or older  
3 and five or more years of service credit; or

4 (2) age sixty years or older and fifteen or  
5 more years of service credit.

6 B. For an individual who initially became a member  
7 on or after July 1, 2005, the age and service credit  
8 requirements for retirement provided for in the Judicial  
9 Retirement Act are:

10 (1) age [~~sixty-four~~] sixty-five years or older  
11 and five or more years of service credit; or

12 (2) age [~~fifty-five~~] sixty years or older and  
13 [~~sixteen~~] fifteen or more years of service credit.

14 C. If a member leaves office for any reason, other  
15 than removal pursuant to Article 6, Section 32 of the  
16 constitution of New Mexico, before meeting the age and service  
17 credit requirements for retirement pursuant to the provisions  
18 of this section and if that member leaves [~~his~~] the member  
19 contributions on deposit in the fund, that member may apply for  
20 retirement when that member meets the age and service credit  
21 requirements for retirement pursuant to the provisions of the  
22 Judicial Retirement Act or provisions of the Public Employees  
23 Retirement Reciprocity Act.

24 D. No member shall be eligible to receive a pension  
25 pursuant to the provisions of the Judicial Retirement Act while

.190621.3SA

1 still in office."

2 SECTION 2. Section 10-12B-9 NMSA 1978 (being Laws 1992,  
3 Chapter 111, Section 9, as amended) is amended to read:

4 "10-12B-9. AMOUNT OF PENSION.--The amount of monthly  
5 pension is equal to:

6 A. in the case of a former or current judge or  
7 justice, an amount equal to one-twelfth of:

8 seventy-five percent

9 of salary received X number of years of  
10 during last year in service, not exceeding  
11 office prior to ten years, divided  
12 retirement by ten;

13 B. in the case of a new judge or justice who  
14 initially became a member prior to July 1, 2005:

15 (1) for service credit earned on or before  
16 June 30, 2013, an amount equal to one-twelfth of:

17 seventy-five (number of years of  
18 percent of salary service, not  
19 received during X .05 X exceeding fifteen  
20 last year in office years, plus five  
21 prior to retirement years); ~~or~~ and

22 (2) for service credit earned on and after  
23 July 1, 2013, an amount equal to one-twelfth of the salary  
24 received during the last year in office prior to retirement  
25 multiplied by the product of three and one-half percent times

.190621.3SA

1 the sum of the number of years of service; provided that a  
2 pension calculated pursuant to this subsection shall not exceed  
3 eighty-five percent of one-twelfth of the salary received  
4 during the last year in office; or

5 C. in the case of a new judge or justice who  
6 initially became a member on or after July 1, 2005:

7 (1) for service credit earned on or before  
8 June 30, 2013, an amount equal to one-twelfth of the salary  
9 received during the last year in office prior to retirement  
10 multiplied by the product of three and seventy-five hundredths  
11 percent times the sum of the number of years of service;  
12 provided that a pension calculated pursuant to this subsection  
13 shall not exceed seventy-five percent of one-twelfth of the  
14 salary received during the last year in office; and

15 (2) for service credit earned on and after  
16 July 1, 2013, an amount equal to one-twelfth of the salary  
17 received during the last year in office prior to retirement  
18 multiplied by the product of three and one-half percent times  
19 the sum of the number of years of service; provided that a  
20 pension calculated pursuant to this subsection shall not exceed  
21 eighty-five percent of one-twelfth of the salary received  
22 during the last year in office."

23 SECTION 3. Section 10-12B-10 NMSA 1978 (being Laws 1992,  
24 Chapter 111, Section 10, as amended) is amended to read:

25 "10-12B-10. MEMBER CONTRIBUTIONS--TAX TREATMENT.---

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1           A. On and after July 1, 2013, members, while in  
2 office, shall contribute nine percent of salary to the member  
3 contribution fund [~~pursuant to the following schedule:~~

4                     ~~(1) prior to July 1, 2005, five and one-half~~  
5 ~~percent of salary;~~

6                     ~~(2) from July 1, 2005 through June 30, 2006,~~  
7 ~~six and one-half percent of salary; and~~

8                     ~~(3) on and after July 1, 2006, seven and one-~~  
9 ~~half percent of salary, except that for members whose annual~~  
10 ~~salary is greater than twenty thousand dollars (\$20,000):~~

11                         ~~(a) from July 1, 2009 through June 30,~~  
12 ~~2011, the member contribution rate shall be nine percent of~~  
13 ~~salary;~~

14                         ~~(b) from July 1, 2011 through June 30,~~  
15 ~~2012, the member contribution rate shall be ten and three-~~  
16 ~~fourths percent of salary; and~~

17                         ~~(c) from July 1, 2012 through June 30,~~  
18 ~~2013, the member contribution rate shall be nine percent of~~  
19 ~~salary].~~

20           B. Upon implementation, the state, acting as  
21 employer of members covered pursuant to the provisions of the  
22 Judicial Retirement Act, shall, solely for the purpose of  
23 compliance with Section 414(h) of the Internal Revenue Code of  
24 1986, pick up for the purposes specified in that section member  
25 contributions required by this section for all annual salary

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1 earned by the member. Member contributions picked up pursuant  
2 to the provisions of this section shall be treated as employer  
3 contributions for purposes of determining income tax  
4 obligations under the Internal Revenue Code of 1986; however,  
5 such picked-up member contributions shall be included in the  
6 determination of the member's gross annual salary for all other  
7 purposes under federal and state laws. Member contributions  
8 picked up pursuant to the provisions of this section shall  
9 continue to be designated member contributions for all purposes  
10 of the Judicial Retirement Act and shall be considered as part  
11 of the member's annual salary for purposes of determining the  
12 amount of the member's contribution. The provisions of this  
13 section are mandatory, and the member shall have no option  
14 concerning the pickup or concerning the receipt of the  
15 contributed amounts directly instead of having the amounts paid  
16 by the employer to the retirement system. Implementation  
17 occurs upon authorization by the board. In no event may  
18 implementation occur other than at the beginning of a pay  
19 period applicable to the member."

20 SECTION 4. Section 10-12B-11 NMSA 1978 (being Laws 1992,  
21 Chapter 111, Section 11, as amended) is amended to read:

22 "10-12B-11. EMPLOYER CONTRIBUTIONS.--

23 A. On and after July 1, 2013, the member's court  
24 shall contribute [~~the following amounts~~] fifteen percent of  
25 salary for each member in office to the fund

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1                   ~~[(1) prior to July 1, 2005, nine percent of~~  
2 ~~salary for each member in office;~~

3                   ~~(2) from July 1, 2005 through June 30, 2006,~~  
4 ~~ten and one-half percent of salary for each member in office;~~  
5 ~~and~~

6                   ~~(3) on and after July 1, 2006, twelve percent~~  
7 ~~of salary for each member in office, except that for members~~  
8 ~~whose annual salary is greater than twenty thousand dollars~~  
9 ~~(\$20,000):~~

10                   ~~(a) from July 1, 2009 through June 30,~~  
11 ~~2011, the member's court contribution rate shall be ten and~~  
12 ~~one-half percent of salary for each member in office;~~

13                   ~~(b) from July 1, 2011 through June 30,~~  
14 ~~2012, the member's court contribution rate shall be eight and~~  
15 ~~three-fourths percent of salary for each member in office; and~~

16                   ~~(c) from July 1, 2012 through June 30,~~  
17 ~~2013, the member's court contribution rate shall be ten and~~  
18 ~~one-half percent of salary for each member in office].~~

19                   B. Thirty-eight dollars (\$38.00) from each civil  
20 case docket fee paid in the district court, twenty-five dollars  
21 (\$25.00) from each civil docket fee paid in metropolitan court  
22 and ten dollars (\$10.00) from each jury fee paid in  
23 metropolitan court shall be paid by the court clerk to the  
24 employer's accumulation fund."

25                   SECTION 5. Section 10-12B-15 NMSA 1978 (being Laws 1992,  
.190621.3SA

1 Chapter 111, Section 15) is amended to read:

2 "10-12B-15. COST-OF-LIVING ADJUSTMENT.--~~[A yearly cost-~~  
3 ~~of-living adjustment shall be made to each pension]~~

4 A. A qualified pension recipient is eligible for a  
5 cost-of-living adjustment payable pursuant to the provisions of  
6 the Judicial Retirement Act [as provided in the Public  
7 Employees Retirement Act] as follows:

8 (1) beginning July 1, 2013 and continuing  
9 through June 30, 2015, there shall not be a cost-of-living  
10 adjustment applied to a pension payable pursuant to the  
11 Judicial Retirement Act; and

12 (2) beginning on May 1, 2015 and no later than  
13 each May 1 thereafter, the board shall certify to the  
14 association the actuarial funded ratio of the fund as of June  
15 30 of the preceding calendar year. On each July 1 following  
16 the board's certification of the funded ratio, the  
17 cost-of-living adjustment, if any, applied to a pension payable  
18 pursuant to the Judicial Retirement Act shall be determined as  
19 follows:

20 (a) if the funded ratio of the fund, as  
21 certified by the board pursuant to this subsection, is greater  
22 than or equal to seventy percent, the amount of pension payable  
23 shall be increased two percent. The amount of the increase  
24 applied pursuant to this subparagraph shall be determined by  
25 multiplying the amount of the pension inclusive of all prior

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1 adjustments by two percent; and

2 (b) if the funded ratio of the fund, as  
3 certified by the board pursuant to this subsection, is less  
4 than seventy percent, the amount of pension payable shall not  
5 include a cost-of-living increase.

6 B. Pursuant to the Judicial Retirement Act, a  
7 qualified pension recipient is:

8 (1) a normal retired member who:

9 (a) retires before June 30, 2014 and has  
10 been retired for at least two full calendar years from the  
11 effective date of the latest retirement prior to July 1 of the  
12 year in which the pension is being adjusted;

13 (b) retires between July 1, 2014 and  
14 June 30, 2015 and has been retired for at least three full  
15 calendar years from the effective date of the latest retirement  
16 prior to July 1 of the year in which the pension is being  
17 adjusted;

18 (c) retires between July 1, 2015 and  
19 June 30, 2016 and has been retired for at least four full  
20 calendar years from the effective date of the latest retirement  
21 prior to July 1 of the year in which the pension is being  
22 adjusted; or

23 (d) retires after July 1, 2016 and has  
24 been retired for at least seven full calendar years from the  
25 effective date of the latest retirement prior to July 1 of the

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1 year in which the pension is being adjusted;

2 (2) a normal retired member who is at least  
3 sixty-five years of age and has been retired for at least one  
4 full calendar year from the effective date of the latest  
5 retirement prior to July 1 of the year in which the pension is  
6 being adjusted;

7 (3) a disability retired member who has been  
8 retired for at least one full calendar year from the effective  
9 date of the latest retirement prior to July 1 of the year in  
10 which the pension is being adjusted;

11 (4) a survivor beneficiary who has received a  
12 survivor pension for at least two full calendar years; or

13 (5) a survivor beneficiary of a deceased  
14 retired member who otherwise would have been retired at least  
15 two full calendar years from the effective date of the latest  
16 retirement prior to July 1 of the year in which the pension is  
17 being adjusted.

18 C. A qualified pension recipient may decline an  
19 increase in a pension by giving the association written notice  
20 of the decision to decline the increase at least thirty days  
21 prior to the date the increase would take effect."

22 SECTION 6. Section 10-12C-8 NMSA 1978 (being Laws 1992,  
23 Chapter 118, Section 8) is amended to read:

24 "10-12C-8. AGE AND SERVICE CREDIT REQUIREMENTS FOR NORMAL  
25 RETIREMENT.--

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1           A. On and after July 1, 2013, the age and service  
2 credit requirements for retirement provided for in the  
3 Magistrate Retirement Act are:

4                   (1) age [~~sixty-four~~] sixty-five years or older  
5 and five or more years of service credit; or

6                   (2) age sixty years or older and fifteen or  
7 more years of service credit [~~or~~

8                   ~~(3) any age and twenty-four or more years of~~  
9 ~~service credit].~~

10           B. If a member leaves office for any reason, other  
11 than removal pursuant to Article 6, Section 32 of the  
12 constitution of New Mexico before meeting the age and service  
13 credit requirements for retirement pursuant to the provisions  
14 of this section and if that member leaves [~~his~~] the member  
15 contributions on deposit in the fund, that member may apply for  
16 retirement when that member meets the age and service credit  
17 requirements for retirement pursuant to the provisions of the  
18 Magistrate Retirement Act or provisions of the Public Employees  
19 Retirement Reciprocity Act [~~if enacted by the second session of~~  
20 ~~the fortieth legislature of the state of New Mexico].~~

21           C. No member shall be eligible to receive a pension  
22 pursuant to the provisions of the Magistrate Retirement Act  
23 while still in office."

24           SECTION 7. Section 10-12C-9 NMSA 1978 (being Laws 1992,  
25 Chapter 118, Section 9) is amended to read:

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underscored material = new  
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1 "10-12C-9. AMOUNT OF PENSION.--

2 A. For service credit earned on or before June 30,  
3 2013, the amount of pension is equal to one-twelfth of:  
4 seventy-five percent  
5 of salary received (number of years of  
6 during last year in X .05 X service, not exceeding  
7 office prior to fifteen years, [+]  
8 retirement plus five years).

9 B. For service credit earned on and after July 1,  
10 2013, the amount of pension is equal to one-twelfth of the  
11 salary received during the last year in office prior to  
12 retirement multiplied by the product of three and one-half  
13 percent times the sum of the number of years of service;  
14 provided that a pension calculated pursuant to this subsection  
15 shall not exceed eighty-five percent of one-twelfth of the  
16 salary received during the last year in office."

17 SECTION 8. Section 10-12C-10 NMSA 1978 (being Laws 1992,  
18 Chapter 118, Section 10, as amended) is amended to read:

19 "10-12C-10. MEMBER CONTRIBUTIONS--TAX TREATMENT.--

20 A. Members, while in office, shall contribute [the  
21 ~~following amounts] nine percent of salary to the member  
22 contribution fund~~

23 [~~(1) through June 30, 2006, six and one-half~~  
24 ~~percent of salary; and~~

25 ~~(2) on and after July 1, 2006, seven and one-~~

1 ~~half percent of salary, except that for members whose annual~~  
2 ~~salary is greater than twenty thousand dollars (\$20,000):~~

3 ~~(a) from July 1, 2009 through June 30,~~  
4 ~~2011, the member contribution rate shall be nine percent of~~  
5 ~~salary;~~

6 ~~(b) from July 1, 2011 through June 30,~~  
7 ~~2012, the member contribution rate shall be ten and three-~~  
8 ~~fourths percent of salary; and~~

9 ~~(c) from July 1, 2012 through June 30,~~  
10 ~~2013, the member contribution rate shall be nine percent of~~  
11 ~~salary].~~

12 B. Upon implementation, the state, acting as  
13 employer of members covered pursuant to the provisions of the  
14 Magistrate Retirement Act, shall, solely for the purpose of  
15 compliance with Section 414(h) of the Internal Revenue Code of  
16 1986, pick up for the purposes specified in that section member  
17 contributions required by this section for all annual salary  
18 earned by the member. Member contributions picked up pursuant  
19 to the provisions of this section shall be treated as employer  
20 contributions for purposes of determining income tax  
21 obligations under the Internal Revenue Code of 1986; however,  
22 such picked-up member contributions shall be included in the  
23 determination of the member's gross annual salary for all other  
24 purposes under federal and state laws. Member contributions  
25 picked up pursuant to the provisions of this section shall

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1 continue to be designated member contributions for all purposes  
2 of the Magistrate Retirement Act and shall be considered as  
3 part of the member's annual salary for purposes of determining  
4 the amount of the member's contribution. The provisions of  
5 this section are mandatory, and the member shall have no option  
6 concerning the pick up or concerning the receipt of the  
7 contributed amounts directly instead of having the amounts paid  
8 by the employer to the retirement system. Implementation  
9 occurs upon authorization by the board. In no event may  
10 implementation occur other than at the beginning of a pay  
11 period applicable to the member."

12 SECTION 9. Section 10-12C-11 NMSA 1978 (being Laws 1992,  
13 Chapter 118, Section 11, as amended) is amended to read:

14 "10-12C-11. EMPLOYER CONTRIBUTIONS.--

15 A. The state, through the administrative office of  
16 the courts, shall contribute ~~[the following amounts]~~ fifteen  
17 percent of salary for each member in office to the fund

18 ~~[(1) through June 30, 2006, ten percent of~~  
19 ~~salary for each member in office; and~~

20 ~~(2) on and after July 1, 2006, eleven percent~~  
21 ~~of salary for each member in office, except that for members~~  
22 ~~whose annual salary is greater than twenty thousand dollars~~  
23 ~~(\$20,000):~~

24 ~~(a) from July 1, 2009 through June 30,~~  
25 ~~2011, the state contribution rate shall be nine and one-half~~

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1 each May 1 thereafter, the board shall certify to the  
2 association the actuarial funded ratio of the fund as of  
3 January 31 of the calendar year in which the board certifies  
4 the funded ratio. On each July 1 following the board's  
5 certification of the funded ratio, the cost-of-living  
6 adjustment, if any, applied to a pension payable pursuant to  
7 the Magistrate Retirement Act shall be determined as follows:

8 (a) if the funded ratio of the fund, as  
9 certified by the board pursuant to this subsection, is greater  
10 than or equal to seventy percent, the amount of pension payable  
11 shall be increased two percent. The amount of the increase  
12 applied pursuant to this subparagraph shall be determined by  
13 multiplying the amount of the pension inclusive of all prior  
14 adjustments by two percent; and

15 (b) if the funded ratio of the fund, as  
16 certified by the board pursuant to this subsection, is less  
17 than seventy percent, the amount of pension payable shall not  
18 include a cost-of-living increase.

19 B. Pursuant to the Magistrate Retirement Act, a  
20 qualified pension recipient is:

21 (1) a normal retired member who:

22 (a) retires on or before June 30, 2014  
23 and has been retired for at least two full calendar years from  
24 the effective date of the latest retirement prior to July 1 of  
25 the year in which the pension is being adjusted;

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1                   (b) retires between July 1, 2014 and  
2 June 30, 2015 and has been retired for at least three full  
3 calendar years from the effective date of the latest retirement  
4 prior to July 1 of the year in which the pension is being  
5 adjusted;

6                   (c) retires between July 1, 2015 and  
7 June 30, 2016 and has been retired for at least four full  
8 calendar years from the effective date of the latest retirement  
9 prior to July 1 of the year in which the pension is being  
10 adjusted; or

11                   (d) retires after July 1, 2016 and has  
12 been retired for at least seven full calendar years from the  
13 effective date of the latest retirement prior to July 1 of the  
14 year in which the pension is being adjusted;

15                   (2) a normal retired member who is at least  
16 sixty-five years of age and has been retired for at least one  
17 full calendar year from the effective date of the latest  
18 retirement prior to July 1 of the year in which the pension is  
19 being adjusted;

20                   (3) a disability retired member who has been  
21 retired for at least one full calendar year from the effective  
22 date of the latest retirement prior to July 1 of the year in  
23 which the pension is being adjusted;

24                   (4) a survivor beneficiary who has received a  
25 survivor pension for at least two full calendar years; or

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1                   (5) a survivor beneficiary of a deceased  
2 retired member who otherwise would have been retired at least  
3 two full calendar years from the effective date of the latest  
4 retirement prior to July 1 of the year in which the pension is  
5 being adjusted.

6                   C. A qualified pension recipient may decline an  
7 increase in a pension by giving the association written notice  
8 of the decision to decline the increase at least thirty days  
9 prior to the date the increase would take effect."

10                   SECTION 11. APPROPRIATION.--

11                   A. Fifteen million dollars (\$15,000,000) is  
12 appropriated from the general fund for expenditure in fiscal  
13 year 2014 and subsequent fiscal years to improve the funded  
14 ratios of the judicial retirement fund and the magistrate  
15 retirement fund as follows:

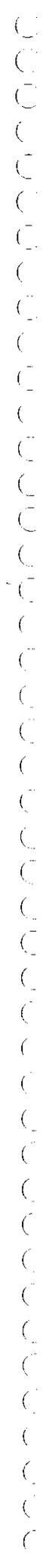
16                   (1) eleven million dollars (\$11,000,000) to  
17 the judicial retirement fund; and

18                   (2) four million dollars (\$4,000,000) to the  
19 magistrate retirement fund.

20                   B. Any unexpended or unencumbered balance remaining  
21 at the end of a fiscal year shall not revert to the general  
22 fund.

23                   SECTION 12. EFFECTIVE DATE.--The effective date of the  
24 provisions of this act is July 1, 2013.

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SENATE BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO JUDICIAL RETIREMENT; CHANGING AGE AND SERVICE  
CREDIT REQUIREMENTS FOR CERTAIN RETIREES IN THE JUDICIAL  
RETIREMENT ACT AND THE MAGISTRATE RETIREMENT ACT; CHANGING THE  
WAY THE AMOUNT OF PENSION IS CALCULATED FOR CERTAIN RETIREES IN  
THE JUDICIAL RETIREMENT ACT AND THE MAGISTRATE RETIREMENT ACT.

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

SECTION 1. Section 10-12B-2 NMSA 1978 (being Laws 1992,  
Chapter 111, Section 2, as amended) is amended to read:

"10-12B-2. DEFINITIONS.--As used in the Judicial  
Retirement Act:

A. "association" means the public employees  
retirement association provided for in the Public Employees  
Retirement Act;

B. "board" means the retirement board provided for

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1 in the Public Employees Retirement Act;

2 C. "current judge or justice" means a judge or  
3 justice who occupied such an office on July 1, 1980 but who  
4 elected to be covered under the provisions of the retirement  
5 plan in effect at that time;

6 D. "dependent child" means a natural or adopted  
7 child who is physically or mentally incapable of financial  
8 self-support, regardless of age;

9 E. "educational retirement system" means the  
10 retirement system provided for in the Educational Retirement  
11 Act;

12 F. "effective date of retirement" means the first  
13 day of the month following the month in which the member met  
14 all requirements for retirement;

15 G. "final average salary" means one thirty-sixth  
16 of the greatest amount of salary paid to a member for thirty-  
17 six consecutive but not necessarily continuous months of  
18 credit service;

19 [~~G.~~] H. "former judge or justice" means a judge  
20 or justice who occupied such an office prior to July 1, 1980  
21 but who had ceased to hold such an office prior to that date  
22 and who elected to be excluded from the provisions of the  
23 Judicial Retirement Act;

24 [~~H.~~] I. "former member" means a person no longer  
25 in office who was previously covered pursuant to the

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1 provisions of Sections 10-12-1 through 10-12-18 NMSA 1978,  
2 but who has not retired pursuant to the provisions of the  
3 Judicial Retirement Act and who has received a refund of  
4 member contributions pursuant to the provisions of Sections  
5 10-12B-1 through 10-12B-19 NMSA 1978;

6 ~~[I.]~~ J. "fund" means the judicial retirement  
7 fund;

8 ~~[J.]~~ K. "judge" means a judge of the metropolitan  
9 court, district court or court of appeals of New Mexico;

10 ~~[K.]~~ L. "justice" means a justice of the supreme  
11 court of New Mexico;

12 ~~[L.]~~ M. "member" means any judge or justice who  
13 is in office and covered pursuant to the provisions of the  
14 Judicial Retirement Act, or any person no longer in office  
15 who was previously a judge or justice covered pursuant to the  
16 provisions of the Judicial Retirement Act, who has not  
17 retired and who has not received a refund of member  
18 contributions from the fund;

19 ~~[M.]~~ N. "member contributions" means the amounts  
20 deducted from the salary of a member and credited to the  
21 member's individual account, together with interest, if any,  
22 credited thereto;

23 ~~[N.]~~ O. "minor child" means a natural or adopted  
24 child who has not reached ~~[his]~~ the child's eighteenth  
25 birthday and who has not been emancipated by marriage or

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[bracketed material] = delete

1 otherwise;

2 [Ø-] P. "new judge or justice" means:

3 (1) a judge or justice who first occupied  
4 such an office after July 1, 1980; or

5 (2) a judge or justice who occupied such an  
6 office on or before July 1, 1980 and who has elected to be  
7 covered under the provisions of the Judicial Retirement Act;

8 [P-] Q. "pension" means a series of monthly  
9 payments to a retired member or survivor beneficiary pursuant  
10 to the provisions of the Judicial Retirement Act;

11 [Q-] R. "refund beneficiary" means a person  
12 designated by the member, in writing in the form prescribed  
13 by the association, as the person who would be refunded the  
14 member's accumulated member contributions payable if the  
15 member dies and no survivor pension is payable, or who would  
16 receive the difference between pension paid and accumulated  
17 member contributions if the retired member dies before  
18 receiving in pension payments the amount of the accumulated  
19 member contributions;

20 [R-] S. "retire" means to:

21 (1) terminate employment with all employers  
22 covered by any state system or the educational retirement  
23 system; and

24 (2) receive a pension from one state system  
25 or the educational retirement system;

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1           [~~S-~~] T. "retired member" means a person who has  
2 met all requirements for retirement and who is receiving a  
3 pension from the fund;

4           [~~F-~~] U. "salary" means the base salary or wages  
5 paid a member, including longevity pay, for personal services  
6 rendered; provided that salary does not include overtime pay;  
7 allowances for housing, clothing, equipment or travel;  
8 payments for unused sick leave, unless the unused sick leave  
9 payment is made through continuation of the member on the  
10 regular payroll for the period represented by that payment;  
11 and any other form of remuneration not specifically  
12 designated by law as included in salary pursuant to the  
13 provisions of the Judicial Retirement Act;

14           [~~U-~~] V. "state system" means the retirement  
15 programs provided pursuant to the provisions of the Public  
16 Employees Retirement Act, the Magistrate Retirement Act and  
17 the Judicial Retirement Act;

18           [~~V-~~] W. "surviving spouse" means the spouse to  
19 whom the member was married at the time of the member's  
20 death;

21           [~~W-~~] X. "survivor beneficiary" means a person who  
22 receives a pension or who has been designated to be paid a  
23 pension as a result of the death of a member or retired  
24 member; and

25           [~~X-~~] Y. "years of service" means a period of time

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1 beginning on the date a person commences to hold office as a  
2 judge or justice because of appointment or election and  
3 ending on the date a person ceases to hold office as a judge  
4 or justice because of expiration of the judge's or justice's  
5 term, voluntary resignation, death or disability and shall  
6 include any fractions of years of service."

7 SECTION 2. Section 10-12B-8 NMSA 1978 (being Laws  
8 1992, Chapter 111, Section 8, as amended) is amended to read:

9 "10-12B-8. AGE AND SERVICE CREDIT REQUIREMENTS FOR  
10 NORMAL RETIREMENT.--

11 A. For an individual who initially became a  
12 member prior to July 1, 2005, the age and service credit  
13 requirements for retirement provided for in the Judicial  
14 Retirement Act are:

15 (1) age sixty-four or older and five or more  
16 years of service credit; or

17 (2) age sixty or older and fifteen or more  
18 years of service credit.

19 B. For an individual who initially became a  
20 member on or after July 1, 2005, but prior to July 1, 2013,  
21 the age and service credit requirements for retirement  
22 provided for in the Judicial Retirement Act are:

23 (1) age sixty-four or older and five or more  
24 years of service credit; or

25 (2) age fifty-five or older and sixteen or

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1 more years of service credit.

2 C. For an individual who initially became a  
3 member on or after July 1, 2013, the age and service credit  
4 requirements for retirement provided for in the Judicial  
5 Retirement Act are:

6 (1) age sixty-seven years or older and five  
7 or more years of service credit;

8 (2) any age if the sum of the member's age  
9 and years of service credit equals at least eighty; or

10 (3) any age and thirty or more years of  
11 service credit.

12 [~~C.~~] D. If a member leaves office for any reason,  
13 other than removal pursuant to Article 6, Section 32 of the  
14 constitution of New Mexico, before meeting the age and  
15 service credit requirements for retirement pursuant to the  
16 provisions of this section and if that member leaves [~~his~~  
17 member] the member's contributions on deposit in the fund,  
18 that member may apply for retirement when that member meets  
19 the age and service credit requirements for retirement  
20 pursuant to the provisions of the Judicial Retirement Act or  
21 provisions of the Public Employees Retirement Reciprocity  
22 Act.

23 [~~D.~~] E. No member shall be eligible to receive a  
24 pension pursuant to the provisions of the Judicial Retirement  
25 Act while still in office."

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1 SECTION 3. Section 10-12B-9 NMSA 1978 (being Laws  
2 1992, Chapter 111, Section 9, as amended) is amended to read:

3 "10-12B-9. AMOUNT OF PENSION.--The amount of monthly  
4 pension is equal to:

5 A. in the case of a former or current judge or  
6 justice, an amount equal to one-twelfth of:

7 seventy-five percent number of years of  
8 of salary received X service, not exceeding  
9 during last year in ten years, divided  
10 office prior to retirement by ten;

11 B. in the case of a new judge or justice who  
12 initially became a member prior to July 1, 2005, an amount  
13 equal to one-twelfth of:

14 seventy-five percent of (number of years of  
15 salary received during X .05 X service, not  
16 last year in office exceeding fifteen  
17 prior to retirement years, plus five  
18 years); [~~or~~]

19 C. in the case of a new judge or justice who  
20 initially became a member on or after July 1, 2005, but prior  
21 to July 1, 2013, an amount equal to one-twelfth of the salary  
22 received during the last year in office prior to retirement  
23 multiplied by the product of three and seventy-five  
24 hundredths percent times the sum of the number of years of  
25 service; provided that a pension calculated pursuant to this

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1 subsection shall not exceed seventy-five percent of one-  
2 twelfth of the salary received during the last year in  
3 office; or

4 D. in the case of a new judge or justice who  
5 initially became a member on or after July 1, 2013, an amount  
6 equal to two and one-half percent of final average salary  
7 multiplied by service credit. The amount shall not exceed  
8 eighty percent of final average salary."

9 SECTION 4. Section 10-12C-2 NMSA 1978 (being Laws  
10 1992, Chapter 118, Section 2, as amended) is amended to read:

11 "10-12C-2. DEFINITIONS.--As used in the Magistrate  
12 Retirement Act:

13 A. "association" means the public employees  
14 retirement association provided for in the Public Employees  
15 Retirement Act;

16 B. "board" means the retirement board provided  
17 for in the Public Employees Retirement Act;

18 C. "dependent child" means a natural or adopted  
19 child who is physically or mentally incapable of financial  
20 self-support, regardless of age;

21 D. "educational retirement system" means the  
22 retirement system provided for in the Educational Retirement  
23 Act;

24 E. "effective date of retirement" means the first  
25 day of the month following the month in which the member met

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underscored material = new  
[bracketed material] = delete

1 all requirements for retirement;

2 F. "final average salary" means one thirty-sixth  
3 of the greatest amount of salary paid to a member for thirty-  
4 six consecutive but not necessarily continuous months of  
5 credit service;

6 [~~F.~~] G. "former member" means a person no longer  
7 in office who was previously covered pursuant to the  
8 provisions of Sections 10-12A-1 through 10-12A-13 NMSA 1978,  
9 but who has not retired pursuant to the provisions of the  
10 Magistrate Retirement Act and who has received a refund of  
11 member contributions pursuant to the provisions of Sections  
12 10-12C-1 through 10-12C-18 NMSA 1978;

13 [~~G.~~] H. "fund" means the magistrate retirement  
14 fund;

15 [~~H.~~] I. "magistrate" means a magistrate judge;

16 [~~I.~~] J. "member" means any magistrate who is in  
17 office and covered pursuant to the provisions of the  
18 Magistrate Retirement Act, or any person no longer in office  
19 who was previously a magistrate covered pursuant to the  
20 provisions of the Magistrate Retirement Act, who has not  
21 retired and who has not received a refund of member  
22 contributions from the fund;

23 [~~J.~~] K. "member contributions" means the amounts  
24 deducted from the salary of a member and credited to the  
25 member's individual account, together with interest, if any,

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1 credited thereto;

2 [K-] L. "minor child" means a natural or adopted  
3 child who has not reached [~~his~~] the natural or adopted  
4 child's eighteenth birthday and who has not been emancipated  
5 by marriage or otherwise;

6 [H-] M. "pension" means a series of monthly  
7 payments to a retired member or survivor beneficiary pursuant  
8 to the provisions of the Magistrate Retirement Act;

9 [M-] N. "refund beneficiary" means a person  
10 designated by the member, in writing in the form prescribed  
11 by the association, as the person who would be refunded the  
12 member's accumulated member contributions payable if the  
13 member dies and no survivor pension is payable, or as the  
14 person who would receive the difference between pension paid  
15 and accumulated member contributions if the retired member  
16 dies before receiving in pension payments the amount of the  
17 accumulated member contributions;

18 [N-] O. "retire" means to:

19 (1) terminate employment with all employers  
20 covered by any state system or the educational retirement  
21 system; and

22 (2) receive a pension from one state system  
23 or the educational retirement system;

24 [O-] P. "retired member" means a person who has  
25 met all requirements for retirement and who is receiving a

underscored material = new  
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1 pension from the fund;

2           [~~P~~] Q. "salary" means the base salary or wages  
3 paid a member, including longevity pay, for personal services  
4 rendered; provided that salary does not include overtime pay;  
5 allowances for housing, clothing, equipment or travel;  
6 payments for unused sick leave, unless the unused sick leave  
7 payment is made through continuation of the member on the  
8 regular payroll for the period represented by that payment;  
9 and any other form of remuneration not specifically  
10 designated by law as included in salary pursuant to the  
11 provisions of the Magistrate Retirement Act;

12           [~~Q~~] R. "state system" means the retirement  
13 programs provided pursuant to the provisions of the Public  
14 Employees Retirement Act, the Magistrate Retirement Act and  
15 the Judicial Retirement Act;

16           [~~R~~] S. "surviving spouse" means the spouse to  
17 whom the member was married at the time of the member's  
18 death;

19           [~~S~~] T. "survivor beneficiary" means a person who  
20 receives a pension or who has been designated to be paid a  
21 pension as a result of the death of a member or retired  
22 member; and

23           [~~T~~] U. "years of service" means a period of time  
24 beginning on the date a person commences to hold office as a  
25 magistrate because of appointment or election and ending on

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1 the date a person ceases to hold office as a magistrate  
2 because of expiration of the magistrate's term, voluntary  
3 resignation, death or disability and shall include any  
4 fractions of years of service."

5 SECTION 5. Section 10-12C-8 NMSA 1978 (being Laws  
6 1992, Chapter 118, Section 8) is amended to read:

7 "10-12C-8. AGE AND SERVICE CREDIT REQUIREMENTS FOR  
8 NORMAL RETIREMENT.--

9 A. For an individual who initially became a  
10 member prior to July 1, 2013, the age and service credit  
11 requirements for retirement provided for in the Magistrate  
12 Retirement Act are:

13 (1) age sixty-four or older and five or more  
14 years of service credit;

15 (2) age sixty or older and fifteen or more  
16 years of service credit; or

17 (3) any age and twenty-four or more years of  
18 service credit.

19 B. For an individual who initially became a  
20 member on or after July 1, 2013, the age and service credit  
21 requirements for retirement provided for in the Magistrate  
22 Retirement Act are:

23 (1) age sixty-seven years or older and five  
24 or more years of service credit;

25 (2) any age if the sum of the member's age

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underscoring material = new  
[bracketed material] = delete

1 and years of service credit equals at least eighty; or

2 (3) any age and thirty or more years of  
3 service credit.

4 ~~[B.]~~ C. If a member leaves office for any reason,  
5 other than removal pursuant to Article 6, Section 32 of the  
6 constitution of New Mexico before meeting the age and service  
7 credit requirements for retirement pursuant to the provisions  
8 of this section and if that member leaves ~~[his-member]~~ the  
9 member's contributions on deposit in the fund, that member  
10 may apply for retirement when that member meets the age and  
11 service credit requirements for retirement pursuant to the  
12 provisions of the Magistrate Retirement Act or provisions of  
13 the Public Employees Retirement Reciprocity Act. ~~[if enacted~~  
14 ~~by the second session of the fortieth legislature of the~~  
15 ~~state of New Mexico.~~

16 ~~G.]~~ D. No member shall be eligible to receive a  
17 pension pursuant to the provisions of the Magistrate  
18 Retirement Act while still in office."

19 SECTION 6. Section 10-12C-9 NMSA 1978 (being Laws  
20 1992, Chapter 118, Section 9) is amended to read:

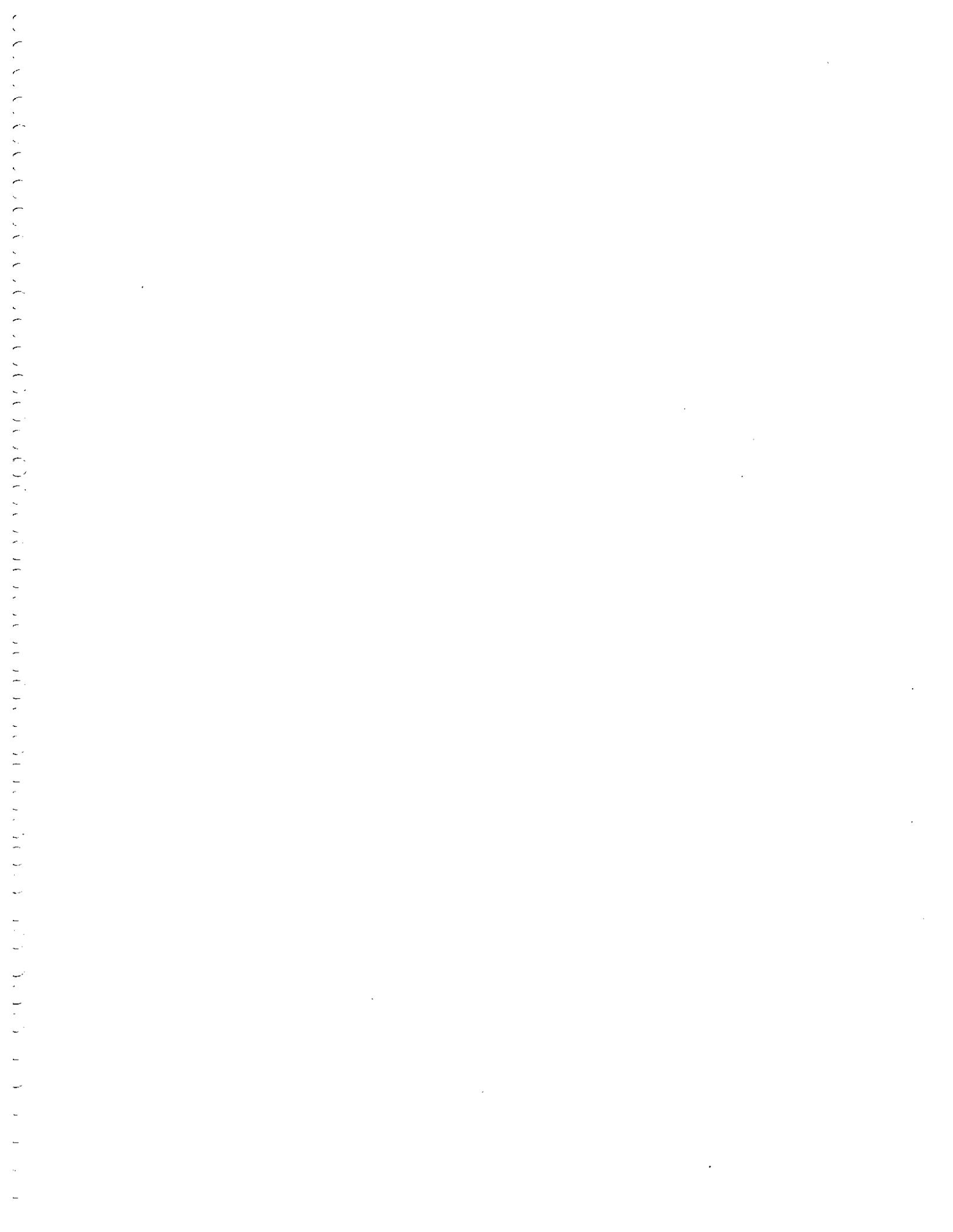
21 "10-12C-9. AMOUNT OF PENSION.--The amount of monthly  
22 pension:

23 A. in the case of a magistrate who initially  
24 became a member prior to July 1, 2013, is equal to  
25 one-twelfth of:

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.....

HOUSE BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO JUDICIAL RETIREMENT; PROVIDING THAT CERTAIN AMOUNTS OF THE CIVIL DOCKET AND JURY FEES BE DEPOSITED INTO THE GENERAL FUND; PROVIDING THAT CONTRIBUTIONS TO JUDICIAL AND MAGISTRATE RETIREMENT BE PROVIDED FROM THE GENERAL FUND; INCREASING CONTRIBUTIONS TO THE JUDICIAL AND MAGISTRATE RETIREMENT FUNDS; MAKING AN APPROPRIATION.

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

SECTION 1. Section 10-12B-3 NMSA 1978 (being Laws 1992, Chapter 111, Section 3, as amended) is amended to read:

"10-12B-3. JUDICIAL RETIREMENT FUND ESTABLISHED-- ADMINISTRATION OF FUND--ACCOUNTING FUNDS.--

A. There is established in the state treasury the "judicial retirement fund". The fund is [eomprised] composed of money received from [~~docket and jury fees of metropolitan~~

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1 ~~courts, district courts, the court of appeals and the supreme~~  
2 ~~court]~~ employer and employee contributions and any investment  
3 earnings on ~~[fees and]~~ contributions. The board is the trustee  
4 of the fund and shall administer and invest the fund.

5 Investment of the fund shall be conducted pursuant to the  
6 provisions of the Public Employees Retirement Act. The  
7 provisions of the Judicial Retirement Act shall be administered  
8 by the board. The board is authorized to promulgate rules.  
9 Expenses related to the investment of the fund and  
10 administration of the Judicial Retirement Act shall be paid  
11 from the fund.

12 B. For purposes of this section, the accounting  
13 funds shall be known as the "member contribution fund",  
14 "employer's accumulation fund", "retirement reserve fund" and  
15 "income fund". The maintenance of separate accounting funds  
16 shall not require the actual segregation of the assets of the  
17 fund.

18 C. The accounting funds provided for in this  
19 section are trust funds and shall be used only for the purposes  
20 provided for in the Judicial Retirement Act.

21 D. The member contribution fund is the accounting  
22 fund in which shall be accumulated contributions of members and  
23 from which shall be made refunds and transfers of accumulated  
24 member contributions as provided in the Judicial Retirement  
25 Act. The member's court shall cause member contributions to be

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1 deducted from the salary of the member and shall remit the  
2 deducted member contributions to the association in accordance  
3 with procedures and schedules established by the association.  
4 The association may assess an interest charge and a penalty  
5 charge on any late remittance. Each member shall be deemed to  
6 consent and agree to the deductions made and provided for in  
7 this section. Contributions by members shall be credited to  
8 the members' individual accounts in the member contribution  
9 fund. A member's accumulated member contributions shall be  
10 transferred to the retirement reserve fund when a pension  
11 becomes payable.

12 E. The employer's accumulation fund is the  
13 accounting fund in which shall be accumulated the contributions  
14 paid by the state through the member's court. The state,  
15 through the member's court, shall remit its contributions to  
16 the association in accordance with procedures and schedules  
17 established by the association. The board may assess an  
18 interest charge and a penalty charge on any late remittance.

19 F. The retirement reserve fund is the accounting  
20 fund from which shall be paid all pensions to retired members  
21 and survivor beneficiaries and all residual refunds to refund  
22 beneficiaries of retired members and survivor beneficiaries.

23 G. Each year, following receipt of the report of  
24 the annual actuarial valuation, the excess, if any, of the  
25 reported actuarial present value of pensions being paid and

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1 likely to be paid to retired members and survivor beneficiaries  
2 and residual refunds likely to be paid to refund beneficiaries  
3 of retired members and survivor beneficiaries over the balance  
4 in the retirement reserve fund shall be transferred to the  
5 retirement reserve fund from the employer's accumulation fund.

6 H. The income fund is the accounting fund to which  
7 shall be credited all interest, dividends, rents and other  
8 income from investments of the fund, all gifts and bequests,  
9 all unclaimed member contributions and all other money the  
10 disposition of which is not specifically provided for in the  
11 Judicial Retirement Act. Expenses related to the  
12 administration of the Judicial Retirement Act shall be paid for  
13 from the income fund.

14 I. The association shall at least annually  
15 distribute all or a portion of the balance in the income fund  
16 to the member contribution fund, the retirement reserve fund  
17 and the employer's accumulation fund. Distribution rates shall  
18 be determined by the board and may vary for the respective  
19 accounting funds."

20 SECTION 2. Section 10-12B-11 NMSA 1978 (being Laws 1992,  
21 Chapter 111, Section 11, as amended) is amended to read:

22 "10-12B-11. EMPLOYER CONTRIBUTIONS.--[A-] The member's  
23 court shall contribute the following amounts to the fund:

24 [~~(1)~~] A. prior to July 1, 2005, nine percent of  
25 salary for each member in office;

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1            [~~(2)~~] B. from July 1, 2005 through June 30, 2006,  
2            ten and one-half percent of salary for each member in office;  
3            [~~and~~

4            ~~(3) on and after~~ C. from July 1, 2006 through  
5            June 30, 2012, twelve percent of salary for each member in  
6            office, except that for members whose annual salary is greater  
7            than twenty thousand dollars (\$20,000):

8            [~~(a)~~] (1) from July 1, 2009 through June 30,  
9            2011, the member's court contribution rate shall be ten and  
10           one-half percent of salary for each member in office;

11           [~~(b)~~] (2) from July 1, 2011 through June 30,  
12           2012, the member's court contribution rate shall be eight and  
13           three-fourths percent of salary for each member in office; and

14           [~~(c)~~] (3) from July 1, 2012 through June 30,  
15           2013, the member's court contribution rate shall be ten and  
16           one-half percent of salary for each member in office; and

17           [~~B. Thirty-eight dollars (\$38.00) from each civil~~  
18           ~~case docket fee paid in the district court, twenty-five dollars~~  
19           ~~(\$25.00) from each civil docket fee paid in metropolitan court~~  
20           ~~and ten dollars (\$10.00) from each jury fee paid in~~  
21           ~~metropolitan court shall be paid by the court clerk to the~~  
22           ~~employer's accumulation fund.]~~

23           D. on and after July 1, 2013, twenty-eight and  
24           fifty-six hundredths percent of salary for each member in  
25           office."

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1 SECTION 3. Section 10-12C-3 NMSA 1978 (being Laws 1992,  
2 Chapter 118, Section 3, as amended) is amended to read:

3 "10-12C-3. MAGISTRATE RETIREMENT FUND ESTABLISHED--  
4 ADMINISTRATION OF FUND--ACCOUNTING FUNDS.--

5 A. There is established in the state treasury the  
6 "magistrate retirement fund". The fund is [~~comprised~~] composed  
7 of money received from [~~docket fees of magistrate courts~~]  
8 employer and member contributions and any investment earnings  
9 on fees and contributions. The board is the trustee of the  
10 fund and shall administer and invest the fund. Investment of  
11 the fund shall be conducted pursuant to the provisions of the  
12 Public Employees Retirement Act. The provisions of the  
13 Magistrate Retirement Act shall be administered by the board.  
14 The board is authorized to promulgate rules. Expenses related  
15 to the investment of the fund and administration of the  
16 Magistrate Retirement Act shall be paid from the fund.

17 B. For purposes of this section, the accounting  
18 funds shall be known as the "member contribution fund",  
19 "employer's accumulation fund", "retirement reserve fund" and  
20 "income fund". The maintenance of separate accounting funds  
21 shall not require the actual segregation of the assets of the  
22 fund.

23 C. The accounting funds provided for in this  
24 section are trust funds and shall be used only for the purposes  
25 provided for in the Magistrate Retirement Act.

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1           D. The member contribution fund is the accounting  
2 fund in which shall be accumulated contributions of members and  
3 from which shall be made refunds and transfers of accumulated  
4 member contributions as provided in the Magistrate Retirement  
5 Act. The member's court shall cause member contributions to be  
6 deducted from the salary of the member and shall remit the  
7 deducted member contributions to the association in accordance  
8 with procedures and schedules established by the association.  
9 The association may assess an interest charge and a penalty  
10 charge on any late remittance. Each member shall be deemed to  
11 consent and agree to the deductions made and provided for in  
12 this section. Contributions by members shall be credited to  
13 the members' individual accounts in the member contribution  
14 fund. A member's accumulated member contributions shall be  
15 transferred to the retirement reserve fund when a pension  
16 becomes payable.

17           E. The employer's accumulation fund is the  
18 accounting fund in which shall be accumulated the contributions  
19 paid by the state through the administrative office of the  
20 courts. The state, through the administrative office of the  
21 courts, shall remit its contributions to the association in  
22 accordance with procedures and schedules established by the  
23 association. The board may assess an interest charge and a  
24 penalty charge on any late remittance.

25           F. The retirement reserve fund is the accounting

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1 fund from which shall be paid all pensions to retired members  
2 and survivor beneficiaries and all residual refunds to refund  
3 beneficiaries of retired members and survivor beneficiaries.

4 G. Each year, following receipt of the report of  
5 the annual actuarial valuation, the excess, if any, of the  
6 reported actuarial present value of pensions being paid and  
7 likely to be paid to retired members and survivor beneficiaries  
8 and residual refunds likely to be paid to refund beneficiaries  
9 of retired members and survivor beneficiaries over the balance  
10 in the retirement reserve fund shall be transferred to the  
11 retirement reserve fund from the employer's accumulation fund.

12 H. The income fund is the accounting fund to which  
13 shall be credited all interest, dividends, rents and other  
14 income from investments of the fund, all gifts and bequests,  
15 all unclaimed member contributions and all other money the  
16 disposition of which is not specifically provided for in the  
17 Magistrate Retirement Act. Expenses related to the  
18 administration of the Magistrate Retirement Act shall be paid  
19 for from the income fund.

20 I. The association shall at least annually  
21 distribute all or a portion of the balance in the income fund  
22 to the member contribution fund, the retirement reserve fund  
23 and the employer's accumulation fund. Distribution rates shall  
24 be determined by the board and may vary for the respective  
25 accounting funds."

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1           SECTION 4. Section 10-12C-11 NMSA 1978 (being Laws 1992,  
2 Chapter 118, Section 11, as amended) is amended to read:

3           "10-12C-11. EMPLOYER CONTRIBUTIONS.--[A.] The state,  
4 through the administrative office of the courts, shall  
5 contribute the following amounts to the fund:

6           [~~(1)~~] A. through June 30, 2006, ten percent of  
7 salary for each member in office; [~~and~~

8           ~~(2) on and after~~] B. from July 1, 2006 through  
9 June 30, 2012, eleven percent of salary for each member in  
10 office, except that for members whose annual salary is greater  
11 than twenty thousand dollars (\$20,000):

12           [~~(a)~~] (1) from July 1, 2009 through June 30,  
13 2011, the state contribution rate shall be nine and one-half  
14 percent of salary for each member in office;

15           [~~(b)~~] (2) from July 1, 2011 through June 30,  
16 2012, the state contribution rate shall be seven and three-  
17 fourths percent of salary for each member in office; and

18           [~~(c)~~] (3) from July 1, 2012 through June 30,  
19 2013, the state contribution rate shall be nine and one-half  
20 percent of salary for each member in office; and

21           ~~[B. Twenty-five dollars (\$25.00) from each civil~~  
22 ~~case docket fee paid in magistrate court and ten dollars~~  
23 ~~(\$10.00) from each civil jury fee paid in magistrate court~~  
24 ~~shall be paid by the court clerk to the employer's accumulation~~  
25 ~~fund.]~~

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1                    C. on and after July 1, 2013, twenty-four and six-  
2 hundredths percent of salary for each member in office."

3                    SECTION 5. Section 35-6-1 NMSA 1978 (being Laws 1968,  
4 Chapter 62, Section 92, as amended) is amended to read:

5                    "35-6-1. MAGISTRATE COSTS--SCHEDULE--DEFINITION OF  
6 "CONVICTED".--

7                    A. Magistrate judges, including metropolitan court  
8 judges, shall assess and collect and shall not waive, defer or  
9 suspend the following costs:

10                    docket fee, criminal actions under Section 29-5-1 NMSA  
11                    1978 . . . . . \$ 1.00;  
12                    docket fee, to be collected prior to docketing any other  
13                    criminal action, except as provided in Subsection B  
14                    of Section 35-6-3 NMSA 1978 . . . . . 20.00.  
15                    Proceeds from this docket fee shall be transferred  
16                    to the administrative office of the courts for  
17                    deposit in the court facilities fund;  
18                    docket fee, twenty dollars (\$20.00) of which shall be  
19                    deposited in the court automation fund [and],  
20                    fifteen dollars (\$15.00) of which shall be deposited  
21                    in the civil legal services fund and twenty-five  
22                    dollars (\$25.00) of which shall be deposited in the  
23                    general fund, to be collected prior to docketing any  
24                    civil action, except as provided in Subsection A of  
25                    Section 35-6-3 NMSA 1978 . . . . . 72.00;

UNRECORDED MATERIAL = delete

[bracketed material] = delete

1 jury fee, ten dollars (\$10.00) of which shall be deposited  
2 in the general fund, to be collected from the party  
3 demanding trial by jury in any civil action at the  
4 time the demand is filed or made . . . . . 25.00;

5 copying fee, for making and certifying copies of any  
6 records in the court, for each page copied by  
7 photographic process . . . . . 0.50.

8 Proceeds from this copying fee shall be transferred  
9 to the administrative office of the courts for  
10 deposit in the court facilities fund; and

11 copying fee, for computer-generated or electronically  
12 transferred copies, per page . . . . . 1.00.

13 Proceeds from this copying fee shall be transferred  
14 to the administrative office of the courts for  
15 deposit in the court automation fund.

16 Except as otherwise specifically provided by law, docket  
17 fees shall be paid into the court facilities fund.

18 B. Except as otherwise provided by law, no other  
19 costs or fees shall be charged or collected in the magistrate  
20 or metropolitan court.

21 C. The magistrate or metropolitan court may grant  
22 free process to any party in any civil proceeding or special  
23 statutory proceeding upon a proper showing of indigency. The  
24 magistrate or metropolitan court may deny free process if it  
25 finds that the complaint on its face does not state a cause of

[bracketed material] = delete

1 action.

2 D. As used in this subsection, "convicted" means the  
3 defendant has been found guilty of a criminal charge by the  
4 magistrate or metropolitan judge, either after trial, a plea of  
5 guilty or a plea of nolo contendere. Magistrate judges,  
6 including metropolitan court judges, shall assess and collect  
7 and shall not waive, defer or suspend the following costs:

8 (1) corrections fee, to be collected upon  
9 conviction from persons convicted of violating any provision of  
10 the Motor Vehicle Code involving the operation of a motor  
11 vehicle, convicted of a crime constituting a misdemeanor or a  
12 petty misdemeanor or convicted of violating any ordinance that  
13 may be enforced by the imposition of a term of imprisonment as  
14 follows:

- 15 in a county with a metropolitan court . . . . . \$10.00;
- 16 in a county without a metropolitan court . . . . . 20.00;

17 (2) court automation fee, to be collected upon  
18 conviction from persons convicted of violating any provision of  
19 the Motor Vehicle Code involving the operation of a motor  
20 vehicle, convicted of a crime constituting a misdemeanor or a  
21 petty misdemeanor or convicted of violating any ordinance that  
22 may be enforced by the imposition of a term of  
23 imprisonment . . . . . 10.00;

24 (3) traffic safety fee, to be collected upon  
25 conviction from persons convicted of violating any provision of

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1 the Motor Vehicle Code involving the operation of a motor  
2 vehicle . . . . . 3.00;

3 (4) judicial education fee, to be collected upon  
4 conviction from persons convicted of operating a motor vehicle  
5 in violation of the Motor Vehicle Code, convicted of a crime  
6 constituting a misdemeanor or a petty misdemeanor or convicted  
7 of violating any ordinance punishable by a term of  
8 imprisonment . . . . . 3.00;

9 (5) jury and witness fee, to be collected upon  
10 conviction from persons convicted of operating a motor vehicle  
11 in violation of the Motor Vehicle Code, convicted of a crime  
12 constituting a misdemeanor or a petty misdemeanor or convicted  
13 of violating any ordinance punishable by a term of  
14 imprisonment . . . . . 5.00;

15 (6) brain injury services fee, to be collected  
16 upon conviction from persons convicted of violating any  
17 provision of the Motor Vehicle Code involving the operation of  
18 a motor vehicle . . . . . 5.00;

19 and

20 (7) court facilities fee, to be collected upon  
21 conviction from persons convicted of violating any provision of  
22 the Motor Vehicle Code involving the operation of a motor  
23 vehicle, convicted of a crime constituting a misdemeanor or a  
24 petty misdemeanor or convicted of violating any ordinance that  
25 may be enforced by the imposition of a term of imprisonment as

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1 follows:

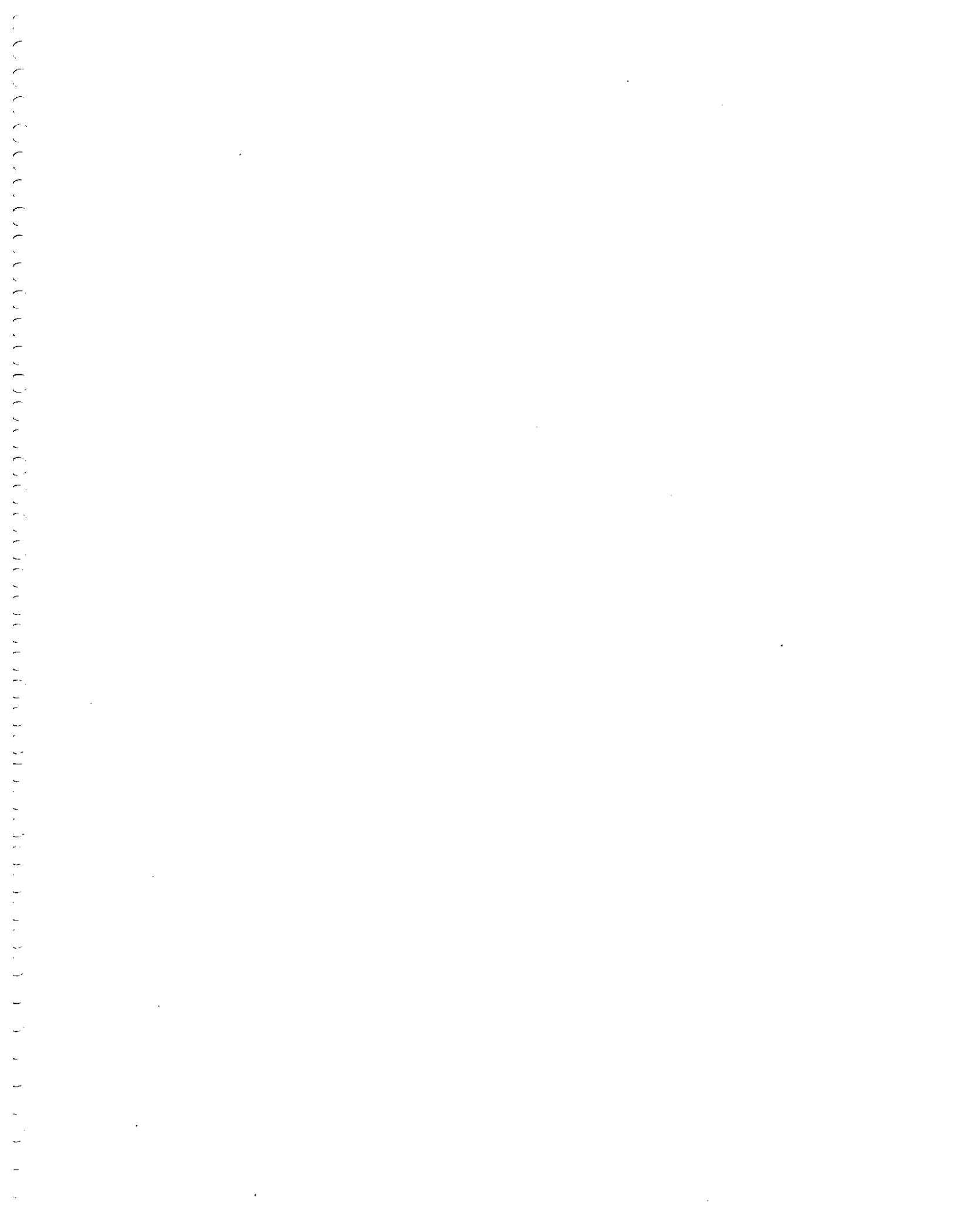
2 in a county with a metropolitan court . . . . . 24.00;  
3 in any other county . . . . . 10.00.

4 E. Metropolitan court judges shall assess and collect  
5 and shall not waive, defer or suspend as costs a mediation fee  
6 not to exceed five dollars (\$5.00) for the docketing of small  
7 claims and criminal actions specified by metropolitan court  
8 rule. Proceeds of the mediation fee shall be deposited into  
9 the metropolitan court mediation fund.

10 SECTION 6. APPROPRIATION.--Two million nine hundred  
11 ninety-nine thousand six hundred dollars (\$2,999,600) is  
12 appropriated from the general fund to the department of finance  
13 and administration for expenditure in fiscal year 2014 for  
14 distribution to the supreme court, court of appeals, district  
15 courts, Bernalillo county metropolitan court and the  
16 administrative office of the courts to pay the increased  
17 employer contributions. Any unexpended or unencumbered balance  
18 remaining at the end of fiscal year 2014 shall not revert to  
19 the general fund.

20 SECTION 7. EFFECTIVE DATE.--The effective date of the  
21 provisions of this act is July 1, 2013.

[bracketed material] = delete





SENATE BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PENSIONS; PROVIDING FOR THE GOVERNOR TO BE A MEMBER IN THE LEGISLATIVE RETIREMENT PLAN.

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

SECTION 1. Section 10-11-2.2 NMSA 1978 (being Laws 2004, Chapter 68, Section 1) is amended to read:

"10-11-2.2. ADDITIONAL DEFINITION--STATE LEGISLATOR MEMBER.--As used in the Public Employees Retirement Act, "state legislator member" means a person who is currently serving or who has served as a state legislator, the governor or lieutenant governor and who has elected to participate in a state legislator member retirement plan. A former state legislator, former governor or former lieutenant governor may be a state legislator member whether or not currently receiving a pension under a state legislator member coverage plan."

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1           SECTION 2. Section 10-11-43.1 NMSA 1978 (being Laws 2003,  
2 Chapter 85, Section 7) is amended to read:

3           "10-11-43.1. STATE LEGISLATOR MEMBER COVERAGE PLAN 2--  
4 APPLICABILITY.--State legislator member coverage plan 2 is  
5 applicable to state legislators who receive no salary for their  
6 legislative service, governors who serve terms of office that  
7 end after December 31, 2012 and lieutenant governors who serve  
8 terms of office that end after December 31, 2002. To be  
9 covered under state legislator member coverage plan 2, a state  
10 legislator, governor or lieutenant governor must elect to be a  
11 member no later than one hundred eighty days after first taking  
12 office or, for state legislators and the lieutenant governor  
13 serving on July 1, 2003, within one hundred eighty days of that  
14 date."

15           SECTION 3. Section 10-11-43.3 NMSA 1978 (being Laws 2003,  
16 Chapter 85, Section 9, as amended) is amended to read:

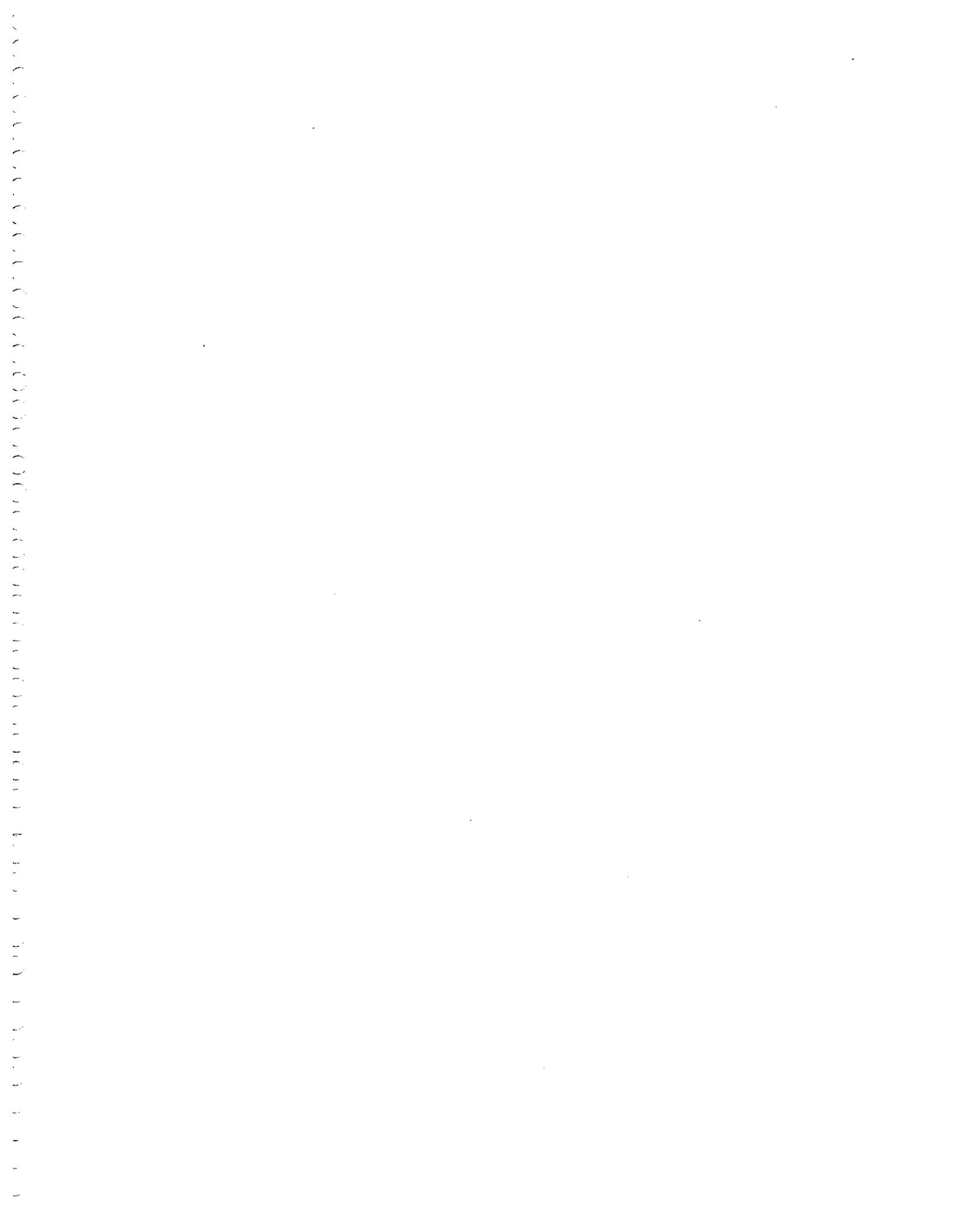
17           "10-11-43.3. STATE LEGISLATOR MEMBER COVERAGE PLAN 2--  
18 AMOUNT OF PENSION--FORM OF PAYMENT A.--Under state legislator  
19 member coverage plan 2, the annual amount of pension under form  
20 of payment A is equal in any calendar year to eleven percent of  
21 the per diem rate in effect, pursuant to Section 2-1-8 NMSA  
22 1978, on the first day of the calendar year that the  
23 legislator, governor or lieutenant governor retires multiplied  
24 by sixty and further multiplied by credited service as a  
25 legislator, governor or lieutenant governor. A pension paid  
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1 under state legislator member coverage plan 2 shall be adjusted  
2 pursuant to Section 10-11-118 NMSA 1978 for a legislator,  
3 governor or lieutenant governor who has been retired for at  
4 least two full calendar years from the effective date of the  
5 latest retirement prior to July 1 of the year in which the  
6 pension is being adjusted."

7 SECTION 4. EFFECTIVE DATE.--The effective date of the  
8 provisions of this act is July 1, 2013.

9 - 3 -







HOUSE BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PENSIONS; AMENDING THE PUBLIC EMPLOYEES RETIREMENT ACT TO CHANGE THE REQUIREMENTS FOR RETURNING TO PUBLIC EMPLOYMENT AFTER RETIREMENT.

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

SECTION 1. Section 10-11-8 NMSA 1978 (being Laws 1987, Chapter 253, Section 8, as amended) is amended to read:

"10-11-8. NORMAL RETIREMENT--RETURN TO EMPLOYMENT-- BENEFITS CONTINUED--EMPLOYER CONTRIBUTIONS.--

A. A member may retire upon fulfilling the following requirements prior to the selected date of retirement:

(1) a written application for normal retirement, in the form prescribed by the association, is filed with the association;

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1 (2) employment is terminated with all  
2 employers covered by any state system or the educational  
3 retirement system;

4 (3) the member selects an effective date of  
5 retirement that is the first day of a calendar month; and

6 (4) the member meets the age and service  
7 credit requirement for normal retirement specified in the  
8 coverage plan applicable to the member.

9 B. The amount of normal retirement pension is  
10 determined in accordance with the coverage plan applicable to  
11 the member.

12 C. Except as provided in Subsection D of this  
13 section, on or after [July 1, 2010, a retired member may be  
14 subsequently employed by an affiliated public employer only  
15 pursuant to the following provisions:

16 ~~(1) the retired member has not been employed~~  
17 ~~as an employee of an affiliated public employer or retained as~~  
18 ~~an independent contractor by the affiliated public employer~~  
19 ~~from which the retired member retired for at least twelve~~  
20 ~~consecutive months from the date of retirement to the~~  
21 ~~commencement of employment or reemployment with an affiliated~~  
22 ~~public employer;~~

23 ~~(2) the retired member's pension shall be~~  
24 ~~suspended upon commencement of the employment;~~

25 ~~(3) except as provided in Subsection F of this~~

1 ~~section, the previously retired member shall not become a~~  
2 ~~member and thus the previously retired member shall accrue no~~  
3 ~~service credit and the previously retired member and that~~  
4 ~~person's affiliated public employer shall make no contributions~~  
5 ~~under any coverage plan pursuant to the Public Employees~~  
6 ~~Retirement Act; and~~

7 ~~(4) upon termination of the subsequent~~  
8 ~~employment, the previously retired member's pension shall~~  
9 ~~resume in accordance with the provisions of Subsection A of~~  
10 ~~this section] July 1, 2013, if a member retires and is~~  
11 ~~subsequently employed by any affiliated public employer, the~~  
12 ~~retired member's pension shall be suspended effective the first~~  
13 ~~day of the month following the month in which the previously~~  
14 ~~retired member has earned fifteen thousand dollars (\$15,000) or~~  
15 ~~more during a calendar year. When the pension is suspended,~~  
16 ~~the following conditions shall apply:~~

17 ~~(1) the retired member who is subsequently~~  
18 ~~employed by an affiliated public employer shall become a~~  
19 ~~member. The previously retired member and the subsequent~~  
20 ~~affiliated public employer shall make the required employee and~~  
21 ~~employer contributions, and the previously retired member shall~~  
22 ~~accrue service credit for the period of subsequent employment;~~  
23 ~~and~~

24 ~~(2) when a previously retired member~~  
25 ~~terminates the subsequent employment with an affiliated public~~

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1 employer, the member shall retire according to the provisions  
2 of the Public Employees Retirement Act, subject to the  
3 following conditions:

4 (a) payment of the pension shall resume  
5 in accordance with the provisions of Subsection A of this  
6 section;

7 (b) unless the previously retired member  
8 accrued at least three years of service credit on account of  
9 the subsequent employment, the recalculation of pension shall:

10 1) employ the form of payment selected by the previously  
11 retired member at the time of the first retirement; and 2) use  
12 the provisions of the coverage plan applicable to the member on  
13 the date of the first retirement; and

14 (c) the recalculated pension shall not  
15 be less than the amount of the suspended pension.

16 D. The provisions of Subsection C of this section  
17 do not apply to:

18 (1) a retired member employed by the  
19 legislature for legislative session work;

20 (2) a retired member employed temporarily as a  
21 precinct board member for a municipal election or an election  
22 covered by the Election Code; or

23 (3) a retired member who is elected to serve a  
24 term as an elected official; provided that:

25 (a) the retired member files an

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1 irrevocable exemption from membership with the association  
2 within thirty days of taking office; and

3 (b) the irrevocable exemption shall be  
4 for the elected official's term of office.

5 E. A retired member who returns to employment  
6 during retirement pursuant to Subsection D of this section is  
7 entitled to receive retirement benefits but is not entitled to  
8 accrue service credit or to acquire or purchase service credit  
9 in the future for the period of the previously retired member's  
10 reemployment with an affiliated public employer.

11 ~~[F. At any time during a previously retired~~  
12 ~~member's subsequent employment pursuant to Subsection C of this~~  
13 ~~section, the previously retired member may elect to become a~~  
14 ~~member and the following conditions shall apply:~~

15 ~~(1) the previously retired member and the~~  
16 ~~subsequent affiliated public employer shall make the required~~  
17 ~~employee and employer contributions, and the previously retired~~  
18 ~~member shall accrue service credit for the period of subsequent~~  
19 ~~employment; and~~

20 ~~(2) when the previously retired member~~  
21 ~~terminates the subsequent employment with an affiliated public~~  
22 ~~employer, the previously retired member shall retire according~~  
23 ~~to the provisions of the Public Employees Retirement Act,~~  
24 ~~subject to the following conditions:~~

25 ~~(a) payment of the pension shall resume~~

underscored material = new  
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1 ~~in accordance with the provisions of Subsection A of this~~  
2 ~~section;~~

3 ~~(b) unless the previously retired member~~  
4 ~~accrued at least three years of service credit on account of~~  
5 ~~the subsequent employment, the recalculation of pension shall:~~  
6 ~~1) employ the form of payment selected by the previously~~  
7 ~~retired member at the time of the first retirement; and 2) use~~  
8 ~~the provisions of the coverage plan applicable to the member on~~  
9 ~~the date of the first retirement; and~~

10 ~~(c) the recalculated pension shall not~~  
11 ~~be less than the amount of the suspended pension.~~

12 G.] F. A previously retired member who returned to  
13 work with an affiliated public employer prior to July 1, 2010  
14 shall be subject to the provisions of this section in effect on  
15 the date the previously retired member returned to work;  
16 provided that, on and after July 1, 2010, the previously  
17 retired member shall pay the employee contribution in an amount  
18 specified in the Public Employees Retirement Act for the  
19 position in which the previously retired member is employed;  
20 and provided further that the affiliated public employer's  
21 contributions as specified in that act or as adjusted for full  
22 actuarial cost at the determination of the association shall be  
23 paid to the fund.

24 [H.] G. The pension of a member who has three or  
25 more years of service credit under each of two or more coverage

1 plans shall be determined in accordance with the coverage plan  
2 that produces the highest pension. The pension of a member who  
3 has service credit under two or more coverage plans but who has  
4 three or more years of service credit under only one of those  
5 coverage plans shall be determined in accordance with the  
6 coverage plan in which the member has three or more years of  
7 service credit. If the service credit is acquired under two  
8 different coverage plans applied to the same affiliated public  
9 employer as a consequence of an election by the members,  
10 adoption by the affiliated public employer or a change in the  
11 law that results in the application of a coverage plan with a  
12 greater pension, the greater pension shall be paid a member  
13 retiring from the affiliated public employer under which the  
14 change in coverage plan took place regardless of the amount of  
15 service credit under the coverage plan producing the greater  
16 pension; provided that the member has three or more years of  
17 continuous employment with that affiliated public employer  
18 immediately preceding or immediately preceding and immediately  
19 following the date the coverage plan changed. The provisions  
20 of each coverage plan for the purpose of this subsection shall  
21 be those in effect at the time the member ceased to be covered  
22 by the coverage plan. "Service credit", for the purposes of  
23 this subsection, shall be only personal service rendered an  
24 affiliated public employer and credited to the member under the  
25 provisions of Subsection A of Section 10-11-4 NMSA 1978.

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Service credited under any other provision of the Public Employees Retirement Act shall not be used to satisfy the three-year service credit requirement of this subsection."

SECTION 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2013.

# ERB BOARD PROPOSAL



1 BILL

2 51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

3 INTRODUCED BY

4  
5  
6 DISCUSSION DRAFT

7  
8  
9  
10 AN ACT

11 RELATING TO PENSIONS; AMENDING THE EDUCATIONAL RETIREMENT ACT;  
12 INCREASING MEMBERS' CONTRIBUTION RATES; PROVIDING FOR  
13 RECALCULATION OF ACTUARIAL FACTORS; CHANGING THE BENEFITS FOR  
14 NEW MEMBERS BY IMPOSING A MINIMUM RETIREMENT AGE, DELAYING THE  
15 COST-OF-LIVING ADJUSTMENT ELIGIBILITY AND INCREASING THE AGE  
16 AND SERVICE RETIREMENT REQUIREMENTS.

17  
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

19 SECTION 1. Section 22-11-21 NMSA 1978 (being Laws 1967,  
20 Chapter 16, Section 144, as amended) is amended to read:

21 "22-11-21. CONTRIBUTIONS--MEMBERS--LOCAL ADMINISTRATIVE  
22 UNITS.--

23 A. Except as provided in Subsection C of this  
24 section, each member shall make contributions to the fund  
25 according to the following schedule:

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1 ~~[(1) through June 30, 2005, an amount equal to~~  
2 ~~seven and six-tenths percent of the member's annual salary;~~

3 ~~(2) from July 1, 2005 through June 30, 2006,~~  
4 ~~an amount equal to seven and six hundred seventy-five~~  
5 ~~thousandths percent of the member's annual salary;~~

6 ~~(3) from July 1, 2006 through June 30, 2007,~~  
7 ~~an amount equal to seven and seventy-five hundredths percent of~~  
8 ~~the member's annual salary;~~

9 ~~(4) from July 1, 2007 through June 30, 2008,~~  
10 ~~an amount equal to seven and eight hundred twenty-five~~  
11 ~~thousandths percent of the member's annual salary; and~~

12 ~~(5) on and after July 1, 2008, an amount equal~~  
13 ~~to seven and nine-tenths percent of the member's annual salary,~~  
14 ~~except that for members whose annual salary is greater than~~  
15 ~~twenty thousand dollars (\$20,000):~~

16 ~~(a) from July 1, 2009 through June 30,~~  
17 ~~2011, the member contribution rate shall be nine and four-~~  
18 ~~tenths percent of the member's annual salary;~~

19 ~~(b) from July 1, 2011 through June 30,~~  
20 ~~2012, the member contribution rate shall be eleven and fifteen-~~  
21 ~~hundredths percent of the member's annual salary; and~~

22 ~~(c) from July 1, 2012 through June 30,~~  
23 ~~2013, the member contribution rate shall be nine and four-~~  
24 ~~tenths of the member's annual salary;]~~

25 (1) from July 1, 2013 through June 30, 2014,

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1 the member contribution rate shall be ten and one-tenth percent  
2 of the member's annual salary; and

3 (2) on and after July 1, 2014, the member  
4 contribution rate shall be ten and seven-tenths percent of the  
5 member's annual salary.

6 B. Except as provided in Subsection C of this  
7 section, each local administrative unit shall make an annual  
8 contribution to the fund according to the following schedule:

9 ~~[(1) through June 30, 2005, a sum equal to~~  
10 ~~eight and sixty-five hundredths percent of the annual salary of~~  
11 ~~each member employed by the local administrative unit;~~

12 ~~(2) from July 1, 2005 through June 30, 2006, a~~  
13 ~~sum equal to nine and forty hundredths percent of the annual~~  
14 ~~salary of each member employed by the local administrative~~  
15 ~~unit;~~

16 ~~(3) from July 1, 2006 through June 30, 2007, a~~  
17 ~~sum equal to ten and fifteen hundredths percent of the annual~~  
18 ~~salary of each member employed by the local administrative~~  
19 ~~unit;~~

20 ~~(4) from July 1, 2007 through June 30, 2008, a~~  
21 ~~sum equal to ten and ninety hundredths percent of the annual~~  
22 ~~salary of each member employed by the local administrative~~  
23 ~~unit;~~

24 ~~(5) from July 1, 2008 through June 30, 2009, a~~  
25 ~~sum equal to eleven and sixty-five hundredths percent of the~~

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1 ~~annual salary of each member employed by the local~~  
2 ~~administrative unit;~~

3 ~~(6) from July 1, 2009 through June 30, 2011, a~~  
4 ~~sum equal to ten and nine-tenths percent of the annual salary~~  
5 ~~of each member employed by the local administrative unit,~~  
6 ~~except that for members whose annual salary is twenty thousand~~  
7 ~~dollars (\$20,000) or less, the local administrative unit shall~~  
8 ~~contribute twelve and four-tenths percent of the member's~~  
9 ~~annual salary;~~

10 ~~(7) from July 1, 2011 through June 30, 2012, a~~  
11 ~~sum equal to nine and fifteen-hundredths percent of the annual~~  
12 ~~salary of each member employed by the local administrative~~  
13 ~~unit, except that for members whose annual salary is twenty~~  
14 ~~thousand dollars (\$20,000) or less, the local administrative~~  
15 ~~unit shall contribute twelve and four-tenths percent of the~~  
16 ~~member's annual salary;~~

17 ~~(8) from July 1, 2012 through June 30, 2013, a~~  
18 ~~sum equal to ten and nine-tenths percent of the annual salary~~  
19 ~~of each member employed by the local administrative unit,~~  
20 ~~except that for members whose annual salary is twenty thousand~~  
21 ~~dollars (\$20,000) or less, the local administrative unit shall~~  
22 ~~contribute twelve and four-tenths percent of the member's~~  
23 ~~annual salary;~~

24 ~~(9)]~~ (1) from July 1, 2013 through June 30,  
25 2014, a sum equal to thirteen and fifteen-hundredths percent of  
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1 the annual salary of each member employed by the local  
2 administrative unit; and

3 [~~10~~] (2) on and after July 1, 2014, a sum  
4 equal to thirteen and nine-tenths percent of the annual salary  
5 of each member employed by the local administrative unit.

6 C. If, in a calendar year, the salary of a member,  
7 initially employed by a local administrative unit on or after  
8 July 1, 1996, equals the annual compensation limit set pursuant  
9 to Section 401(a)(17) of the Internal Revenue Code of 1986, as  
10 amended, then:

11 (1) for the remainder of that calendar year,  
12 no additional member contributions or local administrative unit  
13 contributions for that member shall be made pursuant to this  
14 section; provided that no member shall be denied service credit  
15 solely because contributions are not made by the member or on  
16 behalf of the member pursuant to the provisions of this  
17 subsection; and

18 (2) the amount of the annual compensation  
19 limit shall be divided into four equal portions, and, for  
20 purposes of attributing contributory employment and crediting  
21 service credit, each portion shall be attributable to one of  
22 the four quarters of the calendar year."

23 SECTION 2. Section 22-11-23 NMSA 1978 (being Laws 1981,  
24 Chapter 293, Section 2, as amended by Laws 2009, Chapter 286,  
25 Section 1 and by Laws 2009, Chapter 288, Section 14) is amended

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1 to read:

2 "22-11-23. RETIREMENT ELIGIBILITY--INITIAL MEMBERSHIP  
3 PRIOR TO JULY 1, 2010.--

4 A. [~~The retirement eligibility for~~] A member who  
5 [~~either~~] was a member on June 30, 2010, or was a member at any  
6 time prior to that date and had not, on that date, been  
7 refunded all member contributions pursuant to Subsection A of  
8 Section 22-11-15 NMSA 1978, [~~is as follows:~~

9 ~~(1) a member shall be eligible for retirement~~  
10 ~~benefits pursuant to the Educational Retirement Act when either~~  
11 ~~of the following conditions occurs:~~

12 ~~(a) the sum of the member's age and~~  
13 ~~years of earned service credit equals seventy-five; or~~

14 ~~(b) upon completion of five years of~~  
15 ~~earned service credit and upon becoming sixty-five years of~~  
16 ~~age;~~

17 ~~(2) a member under sixty years of age eligible~~  
18 ~~to retire under Paragraph (1) of this subsection may retire and~~  
19 ~~receive retirement benefits pursuant to the Educational~~  
20 ~~Retirement Act that the member would be eligible to receive if~~  
21 ~~the member were to retire at the age of sixty years reduced by~~  
22 ~~six-tenths of one percent for each one-fourth, or portion~~  
23 ~~thereof, year that retirement occurs prior to the member's~~  
24 ~~sixtieth birthday but after the fifty-fifth birthday, and one~~  
25 ~~and eight-tenths percent for each one-fourth, or portion~~

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1    ~~thereof, year that retirement occurs prior to age fifty-five;~~  
2    or

3                    ~~(3) a member under sixty years of age~~  
4    ~~acquiring twenty-five or more years of earned and allowed~~  
5    ~~service credit may retire and receive retirement benefits~~  
6    ~~pursuant to the Educational Retirement Act computed on the same~~  
7    ~~basis as if the member were sixty years of age] shall be~~  
8    eligible for retirement benefits when:

9                    (1) the member is any age and has twenty-five  
10    or more years of earned and allowed service credit;

11                   (2) the member is at least sixty-five years of  
12    age and has five or more years of earned service credit; or

13                   (3) the sum of the member's age and years of  
14    earned service credit equals at least seventy-five; provided  
15    that a member who retires pursuant to this paragraph shall be  
16    subject to the benefit reductions provided in Subsection G of  
17    Section 22-11-30 NMSA 1978.

18                   B. A member shall be subject to the provisions of  
19    [~~Paragraphs (2) and (3) of~~] Subsection A of this section as  
20    they existed at the beginning of the member's last cumulated  
21    four quarters of earned service credit, regardless of later  
22    amendment."

23                   SECTION 3. Section 22-11-23.1 NMSA 1978 (being Laws 2009,  
24    Chapter 286, Section 2 and Laws 2009, Chapter 288, Section 15)  
25    is amended to read:

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1 "22-11-23.1. RETIREMENT ELIGIBILITY--INITIAL MEMBERSHIP  
2 ON OR AFTER JULY 1, 2010.--

3 A. A member who initially became a member on or  
4 after July 1, 2010; or a member who was a member at any time  
5 prior to that date and had, before that date, been refunded all  
6 member contributions pursuant to Subsection A of Section  
7 22-11-15 NMSA 1978, shall be eligible for retirement benefits  
8 pursuant to the Educational Retirement Act when [~~one of the~~  
9 ~~following conditions occurs~~]:

10 (1) the member is any age and has thirty or  
11 more years of earned service credit;

12 (2) the member is at least sixty-seven years  
13 of age and has five or more years of earned service credit; or

14 (3) the sum of the member's age and years of  
15 earned service credit equals at least eighty; provided that a  
16 member who retires pursuant to this paragraph shall be subject  
17 to the benefit reductions provided in [~~Paragraphs (1) and (2)~~  
18 ~~of~~] Subsection H of Section 22-11-30 NMSA 1978.

19 B. A member shall be subject to the provisions of  
20 this section as they existed at the beginning of the member's  
21 last cumulated four quarters of earned service credit,  
22 regardless of later amendment."

23 SECTION 4. A new section of the Educational Retirement  
24 Act, Section 22-11-23.2 NMSA 1978, is enacted to read:

25 "22-11-23.2. [NEW MATERIAL] RETIREMENT ELIGIBILITY

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1 MEMBERSHIP ON OR AFTER JULY 1, 2013.--

2 A. A member who initially became a member on or  
3 after July 1, 2013 or a member who was a member at any time  
4 prior to July 1, 2013 and had, before that date, been refunded  
5 all member contributions pursuant to Subsection A of Section  
6 22-11-15 NMSA 1978, and had not restored all refunded  
7 contributions and interest before July 1, 2013, shall be  
8 eligible for retirement benefits when:

9 (1) the member is any age and has thirty or  
10 more years of earned service credit; provided that the benefits  
11 of a member who retires pursuant to this paragraph prior to  
12 attaining the age of fifty-five years shall be reduced to an  
13 amount equal to the actuarial equivalent of the benefits that  
14 the member would receive if the member had retired at the age  
15 of fifty-five years. The board shall recalculate the actuarial  
16 factors on which benefits are reduced no less frequently than  
17 every ten years beginning July 1, 2013. The benefits of a  
18 retired member that have been reduced at the time of retirement  
19 pursuant to this paragraph shall not be subject to further  
20 change based upon the board's recalculation of the actuarial  
21 factors;

22 (2) the member is at least sixty-seven years  
23 of age and has five or more years of earned service credit; or

24 (3) the sum of the member's age and years of  
25 earned service credit equals at least eighty; provided that a

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1 member who retires pursuant to this paragraph shall be subject  
2 to the benefit reductions provided in Subsection I of Section  
3 22-11-30 NMSA 1978.

4 B. A member shall be subject to the provisions of  
5 this section as they existed at the beginning of the member's  
6 last cumulated four quarters of earned service credit,  
7 regardless of later amendment."

8 SECTION 5. Section 22-11-27 NMSA 1978 (being Laws 1967,  
9 Chapter 16, Section 150, as amended) is amended to read:

10 "22-11-27. DEFERRED RETIREMENT--RESTRICTION.--

11 A. A member who is eligible for retirement may  
12 continue in employment and shall continue to pay contributions  
13 as provided by the Educational Retirement Act.

14 B. [~~A member~~] Provided that the contributions that  
15 the member has made are left in the fund, a member eligible for  
16 retirement benefits pursuant to the provisions of Section  
17 22-11-23, 22-11-23.1 or 22-11-23.2 NMSA 1978 may terminate  
18 [~~his~~] employment and retire at any time [~~after his age and his~~  
19 ~~earned service credit equal the sum of seventy-five if the~~  
20 ~~contributions he has made are left in the fund.~~

21 C. ~~A member having five years or more of earned~~  
22 ~~service credit may terminate his employment and retire at any~~  
23 ~~time after reaching the age of sixty-five years if the~~  
24 ~~contributions he has made are left in the fund] upon satisfying  
25 the applicable age and earned service requirements for~~

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1 retirement.

2 [~~D.~~ No] C. A member shall not be on a retirement  
3 status while engaged in employment unless the employment falls  
4 within [~~exceptions~~] an exception established by statute or rule  
5 of the board."

6 SECTION 6. Section 22-11-30 NMSA 1978 (being Laws 1967,  
7 Chapter 16, Section 153, as amended by Laws 2009, Chapter 286,  
8 Section 3 and by Laws 2009, Chapter 288, Section 17) is amended  
9 to read:

10 "22-11-30. RETIREMENT BENEFITS--REDUCTIONS.--

11 A. Retirement benefits for a member retired  
12 pursuant to the Educational Retirement Act on or before  
13 June 30, 1967 shall be paid monthly and shall be one-twelfth of  
14 a sum equal to one and one-half percent of the first four  
15 thousand dollars (\$4,000) of the member's average annual salary  
16 and one percent of the remainder of the member's average annual  
17 salary multiplied by the number of years of the member's total  
18 service credit.

19 B. Retirement benefits for a member retired  
20 pursuant to the Educational Retirement Act on or after July 1,  
21 1967 but on or before June 30, 1971 shall be paid monthly and  
22 shall be one-twelfth of a sum equal to one and one-half percent  
23 of the first six thousand six hundred dollars (\$6,600) of the  
24 member's average annual salary and one percent of the remainder  
25 of the member's average annual salary multiplied by the number

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1 of years of the member's total service credit.

2 C. Retirement benefits for a member retired  
3 pursuant to the Educational Retirement Act on or after July 1,  
4 1971 but on or before June 30, 1974 shall be paid monthly and  
5 shall be one-twelfth of a sum equal to one and one-half percent  
6 of the member's average annual salary multiplied by the number  
7 of years of the member's total service credit.

8 D. Retirement benefits for a member retired  
9 pursuant to the Educational Retirement Act on or before  
10 June 30, 1974 but returning to employment on or after July 1,  
11 1974 for a cumulation of one or more years shall be computed  
12 pursuant to Subsection E of this section. Retirement benefits  
13 for a member retired pursuant to the Educational Retirement Act  
14 on or before June 30, 1974 but returning to employment on or  
15 after July 1, 1974 for a cumulation of less than one year shall  
16 be computed pursuant to Subsection A of this section if the  
17 member's date of last retirement was on or before June 30, 1967  
18 or pursuant to Subsection B of this section if the member's  
19 date of last retirement was on or after July 1, 1967 but not  
20 later than June 30, 1971 or pursuant to Subsection C of this  
21 section if the member's date of last retirement was on or after  
22 July 1, 1971 but not later than June 30, 1974.

23 E. Retirement benefits for a member age sixty or  
24 over, retired pursuant to the Educational Retirement Act on or  
25 after July 1, 1974 but not later than June 30, 1987, shall be

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1 paid monthly and shall be one-twelfth of a sum equal to:

2 (1) one and one-half percent of the member's  
3 average annual salary multiplied by the number of years of  
4 service credit for:

5 (a) prior employment; and

6 (b) allowed service credit for service  
7 performed prior to July 1, 1957, except United States military  
8 service credit purchased pursuant to Paragraph (3) of  
9 Subsection A of Section 22-11-34 NMSA 1978; plus

10 (2) two percent of the member's average annual  
11 salary multiplied by the number of years of service credit for:

12 (a) contributory employment;

13 (b) allowed service credit for service  
14 performed after July 1, 1957; and

15 (c) United States military service  
16 credit for service performed prior to July 1, 1957 and  
17 purchased pursuant to Paragraph (3) of Subsection A of Section  
18 22-11-34 NMSA 1978.

19 F. Retirement benefits for a member age sixty or  
20 over, retired pursuant to the Educational Retirement Act on or  
21 after July 1, 1987 but not later than June 30, 1991, shall be  
22 paid monthly and shall be one-twelfth of a sum equal to two and  
23 fifteen hundredths percent of the member's average annual  
24 salary multiplied by the number of years of the member's total  
25 service credit; provided that this subsection shall not apply

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1 to any member who was retired in any of the four quarters  
2 ending on June 30, 1987 without having accumulated not less  
3 than 1.0 years earned service credit after June 30, 1987.

4 G. Retirement benefits for a member [~~age sixty or~~  
5 ~~over, retired~~] who retires pursuant to Section 22-11-23 NMSA  
6 1978 on or after July 1, 1991 shall be paid monthly and shall  
7 be one-twelfth of a sum equal to two and thirty-five hundredths  
8 percent of the member's average annual salary multiplied by the  
9 number of years of the member's total service credit; provided  
10 that:

11 (1) the benefit for a member who retires  
12 pursuant to Paragraph (3) of Subsection A of Section 22-11-23  
13 NMSA 1978 shall be reduced by:

14 (a) six-tenths percent for each  
15 one-fourth, or portion thereof, year that retirement occurs  
16 prior to the member attaining the age of sixty years but after  
17 the member attains the age of fifty-five years; and

18 (b) one and eight-tenths percent for  
19 each one-fourth, or portion thereof, year that retirement  
20 occurs prior to the member attaining the age of fifty-five  
21 years;

22 (2) the benefit formula provided in this  
23 subsection shall not apply to any member who was retired in any  
24 of the four consecutive quarters ending on June 30, 1991  
25 without having accumulated at least one year earned service

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1 credit beginning on or after July 1, 1991; and

2 (3) a member shall be subject to the  
3 provisions of Paragraph (1) of this subsection as they existed  
4 at the beginning of the member's last cumulated four quarters  
5 of earned service credit, regardless of later amendment.

6 H. Retirement benefits for a member [~~retired~~] who  
7 retires pursuant to Section 22-11-23.1 NMSA 1978 shall be paid  
8 monthly and shall be one-twelfth of a sum equal to two and  
9 thirty-five hundredths percent of the member's average annual  
10 salary multiplied by the number of years of the member's total  
11 service credit; provided that:

12 (1) the benefit for a member [~~retiring~~] who  
13 retires pursuant to Paragraph (3) of Subsection A of Section  
14 22-11-23.1 NMSA 1978 shall be reduced by:

15 [~~(1)~~] (a) six-tenths [~~of one~~] percent  
16 for each one-fourth, or portion thereof, year that retirement  
17 occurs prior to the [~~member's sixty-fifth birthday~~] member  
18 attaining the age of sixty-five years but after the [~~sixtieth~~  
19 birthday] member attains the age of sixty years; and

20 [~~(2)~~] (b) one and eight-tenths percent  
21 for each one-fourth, or portion thereof, year that retirement  
22 occurs prior to the [~~member's sixtieth birthday~~] member  
23 attaining the age of sixty years; and

24 (2) a member shall be subject to the  
25 provisions of Paragraph (1) of this subsection as they existed

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1 at the beginning of the member's last cumulated four quarters  
2 of earned service credit, regardless of later amendment.

3 I. Retirement benefits for a member who retires  
4 pursuant to Section 22-11-23.2 NMSA 1978 shall be paid monthly  
5 and shall be one-twelfth of a sum equal to two and thirty-five  
6 hundredths percent of the member's average annual salary  
7 multiplied by the number of years of the member's total service  
8 credit; provided that:

9 (1) the benefit for a member retiring pursuant  
10 to Paragraph (3) of Subsection A of Section 22-11-23.2 NMSA  
11 1978 shall be reduced by:

12 (a) six-tenths percent for each  
13 one-fourth, or portion thereof, year that retirement occurs  
14 prior to the member attaining the age of sixty-five years but  
15 after the member attains the age of sixty years; and

16 (b) one and eight-tenths percent for  
17 each one-fourth, or portion thereof, year that retirement  
18 occurs prior to the member attaining the age of sixty years;  
19 and

20 (2) a member shall be subject to the  
21 provisions of Paragraph (1) of this subsection as they existed  
22 at the beginning of the member's last cumulated four quarters  
23 of earned service credit, regardless of later amendment.

24 ~~[I.]~~ J. A member's average annual salary, pursuant  
25 to this section, shall be computed on the basis of the last

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1 five years for which contribution was made or upon the basis of  
2 any consecutive five years for which contribution was made by  
3 the member, whichever is higher; provided, however, that lump-  
4 sum payments made after July 1, 2010 of accrued sick leave or  
5 annual leave shall be excluded from the calculation of salary.

6 [F.] K. Unless otherwise required by the provisions  
7 of the Internal Revenue Code of 1986, members shall begin  
8 receiving retirement benefits by age seventy years and six  
9 months, or upon termination of employment, whichever occurs  
10 later."

11 SECTION 7. Section 22-11-31 NMSA 1978 (being Laws 1979,  
12 Chapter 333, Section 2, as amended) is amended to read:

13 "22-11-31. COST-OF-LIVING ADJUSTMENT--ELIGIBILITY--  
14 ADDITIONAL CONTRIBUTIONS.--

15 A. For the purposes of this section:

16 (1) "adjustment factor" means a multiplicative  
17 factor computed to provide an annuity adjustment pursuant to  
18 the provisions of Subsection B of this section;

19 (2) "annuity" means any benefit payable under  
20 the Educational Retirement Act or the Public Employees  
21 Retirement Reciprocity Act as a retirement benefit, disability  
22 benefit or survivor benefit;

23 (3) "calendar year" means the full twelve  
24 months beginning January 1 and ending December 31;

25 (4) "consumer price index" means the average  
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1 of the monthly consumer price indexes for a calendar year for  
2 the entire United States for all items as published by the  
3 United States department of labor;

4 (5) "next preceding calendar year" means the  
5 full calendar year immediately prior to the preceding calendar  
6 year; and

7 (6) "preceding calendar year" means the full  
8 calendar year preceding the July 1 on which a benefit is to be  
9 adjusted.

10 B. On or after July 1, 1984 [~~each annuity shall~~]:

11 (1) the annuity of a member who retires  
12 pursuant to Subsection A of Section 22-11-23 NMSA 1978 or  
13 Subsection A of Section 22-11-23.1 NMSA 1978 shall be adjusted  
14 annually and cumulatively commencing on July 1 of the year in  
15 which a member attains the age of sixty-five years or on July 1  
16 following the year a member retires, whichever is later; and

17 (2) the annuity of a member who retires  
18 pursuant to Subsection A of Section 22-11-23.2 NMSA 1978 shall  
19 be adjusted annually and cumulatively commencing on July 1 of  
20 the year in which the member attains the age of sixty-seven  
21 years or on July 1 following the year the member retires,  
22 whichever is later.

23 C. The annuity adjustments provided for under  
24 Subsection B of this section shall be adjusted by applying an  
25 adjustment factor [~~that results in an adjustment equal to one-~~

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1 ~~half of the percentage increase of the consumer price index~~  
2 ~~between the next preceding calendar year and the preceding~~  
3 ~~calendar year, except that the adjustment shall not exceed four~~  
4 ~~percent, in absolute value, nor be less than two percent, in~~  
5 ~~absolute value. In the event that the percentage increase of~~  
6 ~~the consumer price index is less than two percent, in absolute~~  
7 ~~value, the adjustment factor shall be the same as the~~  
8 ~~percentage increase of the consumer price index. Annuities~~  
9 ~~shall not be decreased in the event that there is a decrease in~~  
10 ~~the consumer price index between the next preceding calendar~~  
11 ~~year and the preceding calendar year] based on the percentage~~  
12 ~~increase of the consumer price index between the next preceding~~  
13 ~~calendar year and the preceding calendar year. The adjustment~~  
14 ~~factor shall be applied as follows:~~

15 (1) if the percentage increase of the consumer  
16 price index is less than two percent in absolute value, the  
17 adjustment factor shall be the same amount as the percentage  
18 increase of the consumer price index;

19 (2) if the percentage increase of the consumer  
20 price index is two percent or greater in absolute value, the  
21 adjustment factor shall be one-half of the percentage increase;  
22 except that the adjustment shall not exceed four percent in  
23 absolute value nor be less than two percent in absolute value;  
24 and

25 (3) an annuity shall not be decreased if there

1 is a decrease in the consumer price index between the next  
2 preceding calendar year and the preceding calendar year.

3 ~~[G.]~~ D. A retired member whose benefit is subject  
4 to adjustment under the provisions of the Educational  
5 Retirement Act in effect prior to July 1, 1984 shall have the  
6 member's annuity readjusted annually and cumulatively under the  
7 provisions of that act in effect prior to July 1, 1984 until  
8 July 1 of the year in which the member attains the age of  
9 sixty-five, when the member shall have the annuity readjusted  
10 annually and cumulatively under the provisions of this section.

11 E. A member who ~~[retires]~~:

12 (1) retires pursuant to Subsection A of  
13 Section 22-11-23 NMSA 1978 or Subsection A of Section  
14 22-11-23.1 NMSA 1978 after attaining the age of sixty-five  
15 years shall have the member's annuity adjusted annually and  
16 cumulatively commencing on July 1 of the year following the  
17 member's retirement; and

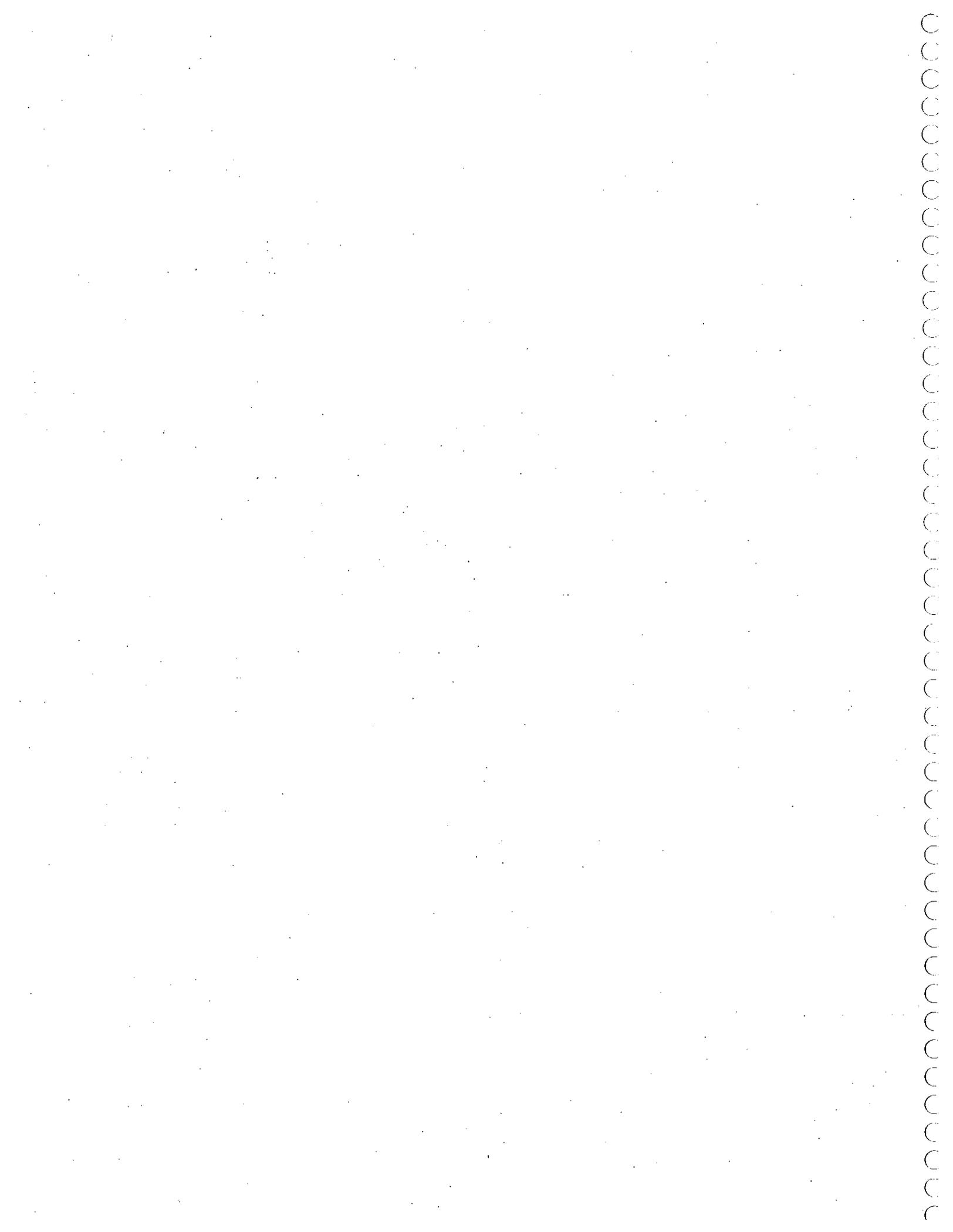
18 (2) retires pursuant to Subsection A of  
19 Section 22-11-23.2 NMSA 1978 after attaining the age of  
20 sixty-seven years shall have the member's annuity adjusted  
21 annually and cumulatively commencing on July 1 of the year  
22 following the member's retirement.

23 ~~[D.]~~ F. A retired member who returns to work shall  
24 be subject to the provisions of this section as they exist at  
25 the time of the member's final retirement.

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ADJUSTMENTS TO  
ERB BOARD PROPOSAL



BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PENSIONS; AMENDING THE EDUCATIONAL RETIREMENT ACT; INCREASING CERTAIN MEMBERS' CONTRIBUTION RATES; CHANGING THE BENEFITS FOR NEW MEMBERS BY IMPOSING A MINIMUM RETIREMENT AGE, DELAYING THE COST-OF-LIVING ADJUSTMENT ELIGIBILITY AND INCREASING THE AGE AND SERVICE RETIREMENT REQUIREMENTS.

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

SECTION 1. Section 22-11-21 NMSA 1978 (being Laws 1967, Chapter 16, Section 144, as amended) is amended to read:

"22-11-21. CONTRIBUTIONS--MEMBERS--LOCAL ADMINISTRATIVE UNITS.--

A. Except as provided in Subsection [G] D of this section, [each] for a member whose annual salary is greater than twenty thousand dollars (\$20,000), the member shall make contributions to the fund according to the following schedule:

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1                   ~~[(1) through June 30, 2005, an amount equal to~~  
2     ~~seven and six-tenths percent of the member's annual salary;~~

3                   ~~(2) from July 1, 2005 through June 30, 2006,~~  
4     ~~an amount equal to seven and six hundred seventy-five~~  
5     ~~thousandths percent of the member's annual salary;~~

6                   ~~(3) from July 1, 2006 through June 30, 2007,~~  
7     ~~an amount equal to seven and seventy-five hundredths percent of~~  
8     ~~the member's annual salary;~~

9                   ~~(4) from July 1, 2007 through June 30, 2008,~~  
10    ~~an amount equal to seven and eight hundred twenty-five~~  
11    ~~thousandths percent of the member's annual salary; and~~

12                   ~~(5) on and after July 1, 2008, an amount equal~~  
13    ~~to seven and nine-tenths percent of the member's annual salary,~~  
14    ~~except that for members whose annual salary is greater than~~  
15    ~~twenty thousand dollars (\$20,000):~~

16                   ~~(a) from July 1, 2009 through June 30,~~  
17    ~~2011, the member contribution rate shall be nine and four-~~  
18    ~~tenths percent of the member's annual salary;~~

19                   ~~(b) from July 1, 2011 through June 30,~~  
20    ~~2012, the member contribution rate shall be eleven and fifteen-~~  
21    ~~hundredths percent of the member's annual salary; and~~

22                   ~~(c) from July 1, 2012 through June 30,~~  
23    ~~2013, the member contribution rate shall be nine and four-~~  
24    ~~tenths of the member's annual salary;]~~

25                   (1) from July 1, 2013 through June 30, 2014,

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1 the member contribution rate shall be ten and one-tenth percent  
2 of the member's annual salary; and

3 (2) on and after July 1, 2014, the member  
4 contribution rate shall be ten and seven-tenths percent of the  
5 member's annual salary.

6 B. On and after July 1, 2008, for a member whose  
7 annual salary is twenty thousand dollars (\$20,000) or less, the  
8 member contribution rate shall be seven and nine-tenths percent  
9 of the member's annual salary.

10 ~~[B.]~~ C. Except as provided in Subsection ~~[C]~~ D of  
11 this section, each local administrative unit shall make an  
12 annual contribution to the fund according to the following  
13 schedule:

14 ~~[(1) through June 30, 2005, a sum equal to~~  
15 ~~eight and sixty-five hundredths percent of the annual salary of~~  
16 ~~each member employed by the local administrative unit;~~

17 ~~(2) from July 1, 2005 through June 30, 2006, a~~  
18 ~~sum equal to nine and forty hundredths percent of the annual~~  
19 ~~salary of each member employed by the local administrative~~  
20 ~~unit;~~

21 ~~(3) from July 1, 2006 through June 30, 2007, a~~  
22 ~~sum equal to ten and fifteen hundredths percent of the annual~~  
23 ~~salary of each member employed by the local administrative~~  
24 ~~unit;~~

25 ~~(4) from July 1, 2007 through June 30, 2008, a~~

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1 ~~sum equal to ten and ninety-hundredths percent of the annual~~  
2 ~~salary of each member employed by the local administrative~~  
3 ~~unit;~~

4 ~~(5) from July 1, 2008 through June 30, 2009, a~~  
5 ~~sum equal to eleven and sixty-five hundredths percent of the~~  
6 ~~annual salary of each member employed by the local~~  
7 ~~administrative unit;~~

8 ~~(6) from July 1, 2009 through June 30, 2011, a~~  
9 ~~sum equal to ten and nine-tenths percent of the annual salary~~  
10 ~~of each member employed by the local administrative unit,~~  
11 ~~except that for members whose annual salary is twenty thousand~~  
12 ~~dollars (\$20,000) or less, the local administrative unit shall~~  
13 ~~contribute twelve and four-tenths percent of the member's~~  
14 ~~annual salary;~~

15 ~~(7) from July 1, 2011 through June 30, 2012, a~~  
16 ~~sum equal to nine and fifteen-hundredths percent of the annual~~  
17 ~~salary of each member employed by the local administrative~~  
18 ~~unit, except that for members whose annual salary is twenty~~  
19 ~~thousand dollars (\$20,000) or less, the local administrative~~  
20 ~~unit shall contribute twelve and four-tenths percent of the~~  
21 ~~member's annual salary;~~

22 ~~(8) from July 1, 2012 through June 30, 2013, a~~  
23 ~~sum equal to ten and nine-tenths percent of the annual salary~~  
24 ~~of each member employed by the local administrative unit,~~  
25 ~~except that for members whose annual salary is twenty thousand~~

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1 ~~dollars (\$20,000) or less, the local administrative unit shall~~  
2 ~~contribute twelve and four-tenths percent of the member's~~  
3 ~~annual salary;~~

4 ~~(9)]~~ (1) from July 1, 2013 through June 30,  
5 2014, a sum equal to thirteen and fifteen-hundredths percent of  
6 the annual salary of each member employed by the local  
7 administrative unit; and

8 [~~(10)]~~ (2) on and after July 1, 2014, a sum  
9 equal to thirteen and nine-tenths percent of the annual salary  
10 of each member employed by the local administrative unit.

11 [~~(6)]~~ D. If, in a calendar year, the salary of a  
12 member, initially employed by a local administrative unit on or  
13 after July 1, 1996, equals the annual compensation limit set  
14 pursuant to Section 401(a)(17) of the Internal Revenue Code of  
15 1986, as amended, then:

16 (1) for the remainder of that calendar year,  
17 no additional member contributions or local administrative unit  
18 contributions for that member shall be made pursuant to this  
19 section; provided that no member shall be denied service credit  
20 solely because contributions are not made by the member or on  
21 behalf of the member pursuant to the provisions of this  
22 subsection; and

23 (2) the amount of the annual compensation  
24 limit shall be divided into four equal portions, and, for  
25 purposes of attributing contributory employment and crediting

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1 service credit, each portion shall be attributable to one of  
2 the four quarters of the calendar year."

3 SECTION 2. Section 22-11-23 NMSA 1978 (being Laws 1981,  
4 Chapter 293, Section 2, as amended by Laws 2009, Chapter 286,  
5 Section 1 and by Laws 2009, Chapter 288, Section 14) is amended  
6 to read:

7 "22-11-23. RETIREMENT ELIGIBILITY--INITIAL MEMBERSHIP  
8 PRIOR TO JULY 1, 2010.--

9 A. ~~[The retirement eligibility for]~~ A member who  
10 ~~[either]~~ was a member on June 30, 2010, or was a member at any  
11 time prior to that date and had not, on that date, been  
12 refunded all member contributions pursuant to Subsection A of  
13 Section 22-11-15 NMSA 1978, ~~[is as follows:~~

14 ~~(1) a member shall be eligible for retirement~~  
15 ~~benefits pursuant to the Educational Retirement Act when either~~  
16 ~~of the following conditions occurs:~~

17 ~~(a) the sum of the member's age and~~  
18 ~~years of earned service credit equals seventy five; or~~

19 ~~(b) upon completion of five years of~~  
20 ~~earned service credit and upon becoming sixty five years of~~  
21 ~~age;~~

22 ~~(2) a member under sixty years of age eligible~~  
23 ~~to retire under Paragraph (1) of this subsection may retire and~~  
24 ~~receive retirement benefits pursuant to the Educational~~  
25 ~~Retirement Act that the member would be eligible to receive if~~

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1 ~~the member were to retire at the age of sixty years reduced by~~  
2 ~~six-tenths of one percent for each one-fourth, or portion~~  
3 ~~thereof, year that retirement occurs prior to the member's~~  
4 ~~sixtieth birthday but after the fifty-fifth birthday, and one~~  
5 ~~and eight-tenths percent for each one-fourth, or portion~~  
6 ~~thereof, year that retirement occurs prior to age fifty-five;~~  
7 or

8 ~~(3) a member under sixty years of age~~  
9 ~~acquiring twenty-five or more years of earned and allowed~~  
10 ~~service credit may retire and receive retirement benefits~~  
11 ~~pursuant to the Educational Retirement Act computed on the same~~  
12 ~~basis as if the member were sixty years of age] shall be~~  
13 eligible for retirement benefits when:

14 (1) the member is any age and has twenty-five  
15 or more years of earned and allowed service credit;

16 (2) the member is at least sixty-five years of  
17 age and has five or more years of earned service credit; or

18 (3) the sum of the member's age and years of  
19 earned service credit equals at least seventy-five; provided  
20 that a member who retires pursuant to this paragraph shall be  
21 subject to the benefit reductions provided in Subsection G of  
22 Section 22-11-30 NMSA 1978.

23 B. A member shall be subject to the provisions of  
24 [~~Paragraphs (2) and (3) of]~~ Subsection A of this section as  
25 they existed at the beginning of the member's last cumulated

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1 four quarters of earned service credit, regardless of later  
2 amendment."

3 SECTION 3. Section 22-11-23.1 NMSA 1978 (being Laws 2009,  
4 Chapter 286, Section 2 and Laws 2009, Chapter 288, Section 15)  
5 is amended to read:

6 "22-11-23.1. RETIREMENT ELIGIBILITY--INITIAL MEMBERSHIP  
7 ON OR AFTER JULY 1, 2010.--

8 A. A member who initially became a member on or  
9 after July 1, 2010, or a member who was a member at any time  
10 prior to that date and had, before that date, been refunded all  
11 member contributions pursuant to Subsection A of Section  
12 22-11-15 NMSA 1978, shall be eligible for retirement benefits  
13 pursuant to the Educational Retirement Act when ~~[one of the~~  
14 ~~following conditions occurs]:~~

15 (1) the member is any age and has thirty or  
16 more years of earned service credit;

17 (2) the member is at least sixty-seven years  
18 of age and has five or more years of earned service credit; or

19 (3) the sum of the member's age and years of  
20 earned service credit equals at least eighty; provided that a  
21 member who retires pursuant to this paragraph shall be subject  
22 to the benefit reductions provided in ~~[Paragraphs (1) and (2)~~  
23 ~~of]~~ Subsection H of Section 22-11-30 NMSA 1978.

24 B. A member shall be subject to the provisions of  
25 this section as they existed at the beginning of the member's

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1 last cumulated four quarters of earned service credit,  
2 regardless of later amendment."

3 SECTION 4. A new section of the Educational Retirement  
4 Act, Section 22-11-23.2 NMSA 1978, is enacted to read:

5 "22-11-23.2. [NEW MATERIAL] RETIREMENT ELIGIBILITY  
6 MEMBERSHIP ON OR AFTER JULY 1, 2013.--

7 A. A member who initially became a member on or  
8 after July 1, 2013 or a member who was a member at any time  
9 prior to July 1, 2013 and had, before that date, been refunded  
10 all member contributions pursuant to Subsection A of Section  
11 22-11-15 NMSA 1978, and had not restored all refunded  
12 contributions and interest before July 1, 2013, shall be  
13 eligible for retirement benefits when:

14 (1) the member is any age and has thirty or  
15 more years of earned service credit; provided that the benefits  
16 of a member who retires pursuant to this paragraph prior to  
17 attaining the age of fifty-five years shall be reduced to an  
18 amount equal to the actuarial equivalent of the benefit the  
19 member would receive if the member had retired at the age of  
20 fifty-five years. The board shall recalculate the actuarial  
21 factors on which benefits are reduced no less frequently than  
22 every ten years beginning July 1, 2013. The benefits of a  
23 retired member that have been reduced at the time of retirement  
24 pursuant to this paragraph shall not be subject to further  
25 change based upon the board's recalculation of the actuarial

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1 factors;

2 (2) the member is at least sixty-seven years  
3 of age and has five or more years of earned service credit; or

4 (3) the sum of the member's age and years of  
5 earned service credit equals at least eighty; provided that a  
6 member who retires pursuant to this paragraph shall be subject  
7 to the benefit reductions provided in Subsection I of Section  
8 22-11-30 NMSA 1978.

9 B. A member shall be subject to the provisions of  
10 this section as they existed at the beginning of the member's  
11 last cumulated four quarters of earned service credit,  
12 regardless of later amendment."

13 SECTION 5. Section 22-11-27 NMSA 1978 (being Laws 1967,  
14 Chapter 16, Section 150, as amended) is amended to read:

15 "22-11-27. DEFERRED RETIREMENT--RESTRICTION.--

16 A. A member who is eligible for retirement may  
17 continue in employment and shall continue to pay contributions  
18 as provided by the Educational Retirement Act.

19 B. ~~[A member]~~ Provided that the contributions that  
20 the member has made are left in the fund, a member eligible for  
21 retirement benefits pursuant to the provisions of Section  
22 22-11-23, 22-11-23.1 or 22-11-23.2 NMSA 1978 may terminate  
23 ~~[his] employment and retire at any time [after his age and his~~  
24 ~~earned service credit equal the sum of seventy-five if the~~  
25 ~~contributions he has made are left in the fund.~~

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1           ~~C. A member having five years or more of earned~~  
2 ~~service credit may terminate his employment and retire at any~~  
3 ~~time after reaching the age of sixty-five years if the~~  
4 ~~contributions he has made are left in the fund] upon satisfying~~  
5 ~~the applicable age and earned service requirements for~~  
6 ~~retirement.~~

7           ~~[D. No]~~ C. A member shall not be on a retirement  
8 status while engaged in employment unless the employment falls  
9 within ~~[exceptions]~~ an exception established by statute or rule  
10 of the board."

11           SECTION 6. Section 22-11-30 NMSA 1978 (being Laws 1967,  
12 Chapter 16, Section 153, as amended by Laws 2009, Chapter 286,  
13 Section 3 and by Laws 2009, Chapter 288, Section 17) is amended  
14 to read:

15           "22-11-30. RETIREMENT BENEFITS--REDUCTIONS---

16           A. Retirement benefits for a member retired  
17 pursuant to the Educational Retirement Act on or before  
18 June 30, 1967 shall be paid monthly and shall be one-twelfth of  
19 a sum equal to one and one-half percent of the first four  
20 thousand dollars (\$4,000) of the member's average annual salary  
21 and one percent of the remainder of the member's average annual  
22 salary multiplied by the number of years of the member's total  
23 service credit.

24           B. Retirement benefits for a member retired  
25 pursuant to the Educational Retirement Act on or after July 1,

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1 1967 but on or before June 30, 1971 shall be paid monthly and  
2 shall be one-twelfth of a sum equal to one and one-half percent  
3 of the first six thousand six hundred dollars (\$6,600) of the  
4 member's average annual salary and one percent of the remainder  
5 of the member's average annual salary multiplied by the number  
6 of years of the member's total service credit.

7 C. Retirement benefits for a member retired  
8 pursuant to the Educational Retirement Act on or after July 1,  
9 1971 but on or before June 30, 1974 shall be paid monthly and  
10 shall be one-twelfth of a sum equal to one and one-half percent  
11 of the member's average annual salary multiplied by the number  
12 of years of the member's total service credit.

13 D. Retirement benefits for a member retired  
14 pursuant to the Educational Retirement Act on or before  
15 June 30, 1974 but returning to employment on or after July 1,  
16 1974 for a cumulation of one or more years shall be computed  
17 pursuant to Subsection E of this section. Retirement benefits  
18 for a member retired pursuant to the Educational Retirement Act  
19 on or before June 30, 1974 but returning to employment on or  
20 after July 1, 1974 for a cumulation of less than one year shall  
21 be computed pursuant to Subsection A of this section if the  
22 member's date of last retirement was on or before June 30, 1967  
23 or pursuant to Subsection B of this section if the member's  
24 date of last retirement was on or after July 1, 1967 but not  
25 later than June 30, 1971 or pursuant to Subsection C of this

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1 section if the member's date of last retirement was on or after  
2 July 1, 1971 but not later than June 30, 1974.

3 E. Retirement benefits for a member age sixty or  
4 over, retired pursuant to the Educational Retirement Act on or  
5 after July 1, 1974 but not later than June 30, 1987, shall be  
6 paid monthly and shall be one-twelfth of a sum equal to:

7 (1) one and one-half percent of the member's  
8 average annual salary multiplied by the number of years of  
9 service credit for:

10 (a) prior employment; and

11 (b) allowed service credit for service  
12 performed prior to July 1, 1957, except United States military  
13 service credit purchased pursuant to Paragraph (3) of  
14 Subsection A of Section 22-11-34 NMSA 1978; plus

15 (2) two percent of the member's average annual  
16 salary multiplied by the number of years of service credit for:

17 (a) contributory employment;

18 (b) allowed service credit for service  
19 performed after July 1, 1957; and

20 (c) United States military service  
21 credit for service performed prior to July 1, 1957 and  
22 purchased pursuant to Paragraph (3) of Subsection A of Section  
23 22-11-34 NMSA 1978.

24 F. Retirement benefits for a member age sixty or  
25 over, retired pursuant to the Educational Retirement Act on or

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1 after July 1, 1987 but not later than June 30, 1991, shall be  
2 paid monthly and shall be one-twelfth of a sum equal to two and  
3 fifteen hundredths percent of the member's average annual  
4 salary multiplied by the number of years of the member's total  
5 service credit; provided that this subsection shall not apply  
6 to any member who was retired in any of the four quarters  
7 ending on June 30, 1987 without having accumulated not less  
8 than 1.0 years earned service credit after June 30, 1987.

9 G. Retirement benefits for a member [~~age sixty or~~  
10 ~~over, retired~~] who retires pursuant to Section 22-11-23 NMSA  
11 1978 on or after July 1, 1991 shall be paid monthly and shall  
12 be one-twelfth of a sum equal to two and thirty-five hundredths  
13 percent of the member's average annual salary multiplied by the  
14 number of years of the member's total service credit; provided  
15 that:

16 (1) the benefit for a member who retires  
17 pursuant to Paragraph (3) of Subsection A of Section 22-11-23  
18 NMSA 1978 shall be reduced by:

19 (a) six-tenths percent for each  
20 one-fourth, or portion thereof, year that retirement occurs  
21 prior to the member attaining the age of sixty years but after  
22 the member attains the age of fifty-five years; and

23 (b) one and eight-tenths percent for  
24 each one-fourth, or portion thereof, year that retirement  
25 occurs prior to the member attaining the age of fifty-five

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1 years;

2 (2) the benefit formula provided in this  
3 subsection shall not apply to any member who was retired in any  
4 of the four consecutive quarters ending on June 30, 1991  
5 without having accumulated at least one year earned service  
6 credit beginning on or after July 1, 1991; and

7 (3) a member shall be subject to the  
8 provisions of Paragraph (1) of this subsection as they existed  
9 at the beginning of the member's last cumulated four quarters  
10 of earned service credit, regardless of later amendment.

11 H. Retirement benefits for a member [~~retired~~] who  
12 retires pursuant to Section 22-11-23.1 NMSA 1978 shall be paid  
13 monthly and shall be one-twelfth of a sum equal to two and  
14 thirty-five hundredths percent of the member's average annual  
15 salary multiplied by the number of years of the member's total  
16 service credit; provided that:

17 (1) the benefit for a member [~~retiring~~] who  
18 retires pursuant to Paragraph (3) of Subsection A of Section  
19 22-11-23.1 NMSA 1978 shall be reduced by:

20 [~~(1)~~] (a) six-tenths [~~of one~~] percent  
21 for each one-fourth, or portion thereof, year that retirement  
22 occurs prior to the [~~member's sixty-fifth birthday~~] member  
23 attaining the age of sixty-five years but after the [~~sixtieth~~  
24 birthday] member attains the age of sixty years; and

25 [~~(2)~~] (b) one and eight-tenths percent

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1 for each one-fourth, or portion thereof, year that retirement  
2 occurs prior to the [~~member's sixtieth birthday~~] member  
3 attaining the age of sixty years; and

4 (2) a member shall be subject to the  
5 provisions of Paragraph (1) of this subsection as they existed  
6 at the beginning of the member's last cumulated four quarters  
7 of earned service credit, regardless of later amendment.

8 I. Retirement benefits for a member who retires  
9 pursuant to Section 22-11-23.2 NMSA 1978 shall be paid monthly  
10 and shall be one-twelfth of a sum equal to two and thirty-five  
11 hundredths percent of the member's average annual salary  
12 multiplied by the number of years of the member's total service  
13 credit; provided that:

14 (1) the benefit for a member retiring pursuant  
15 to Paragraph (3) of Subsection A of Section 22-11-23.2 NMSA  
16 1978 shall be reduced by:

17 (a) six-tenths percent for each  
18 one-fourth, or portion thereof, year that retirement occurs  
19 prior to the member attaining the age of sixty-five years but  
20 after the member attains the age of sixty years; and

21 (b) one and eight-tenths percent for  
22 each one-fourth, or portion thereof, year that retirement  
23 occurs prior to the member attaining the age of sixty years;  
24 and

25 (2) a member shall be subject to the

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1 provisions of Paragraph (1) of this subsection as they existed  
2 at the beginning of the member's last cumulated four quarters  
3 of earned service credit, regardless of later amendment.

4 [~~I.~~] J. A member's average annual salary, pursuant  
5 to this section, shall be computed on the basis of the last  
6 five years for which contribution was made or upon the basis of  
7 any consecutive five years for which contribution was made by  
8 the member, whichever is higher; provided, however, that lump-  
9 sum payments made after July 1, 2010 of accrued sick leave or  
10 annual leave shall be excluded from the calculation of salary.

11 [~~J.~~] K. Unless otherwise required by the provisions  
12 of the Internal Revenue Code of 1986, members shall begin  
13 receiving retirement benefits by age seventy years and six  
14 months, or upon termination of employment, whichever occurs  
15 later."

16 SECTION 7. Section 22-11-31 NMSA 1978 (being Laws 1979,  
17 Chapter 333, Section 2, as amended) is amended to read:

18 "22-11-31. COST-OF-LIVING ADJUSTMENT--ELIGIBILITY--  
19 ADDITIONAL CONTRIBUTIONS.--

20 A. For the purposes of this section:

21 (1) "adjustment factor" means a multiplicative  
22 factor computed to provide an annuity adjustment pursuant to  
23 the provisions of Subsection B of this section;

24 (2) "annuity" means any benefit payable under  
25 the Educational Retirement Act or the Public Employees

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1 Retirement Reciprocity Act as a retirement benefit, disability  
2 benefit or survivor benefit;

3 (3) "calendar year" means the full twelve  
4 months beginning January 1 and ending December 31;

5 (4) "consumer price index" means the average  
6 of the monthly consumer price indexes for a calendar year for  
7 the entire United States for all items as published by the  
8 United States department of labor;

9 (5) "next preceding calendar year" means the  
10 full calendar year immediately prior to the preceding calendar  
11 year; and

12 (6) "preceding calendar year" means the full  
13 calendar year preceding the July 1 on which a benefit is to be  
14 adjusted.

15 B. On or after July 1, 1984 [~~each annuity shall~~]:

16 (1) the annuity of a member who retires  
17 pursuant to Subsection A of Section 22-11-23 NMSA 1978 or  
18 Subsection A of Section 22-11-23.1 NMSA 1978 shall be adjusted  
19 annually and cumulatively commencing on July 1 of the year in  
20 which a member attains the age of sixty-five years or on July 1  
21 following the year a member retires, whichever is later; and

22 (2) the annuity of a member who retires  
23 pursuant to Subsection A of Section 22-11-23.2 NMSA 1978 shall  
24 be adjusted annually and cumulatively commencing on July 1 of  
25 the year in which the member attains the age of sixty-seven

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1 years or on July 1 following the year the member retires,  
2 whichever is later.

3 C. The annuity adjustments provided for under  
4 Subsection B of this section shall be adjusted by applying an  
5 adjustment factor [that results in an adjustment equal to one-  
6 half of the percentage increase of the consumer price index  
7 between the next preceding calendar year and the preceding  
8 calendar year, except that the adjustment shall not exceed four  
9 percent, in absolute value, nor be less than two percent, in  
10 absolute value. In the event that the percentage increase of  
11 the consumer price index is less than two percent, in absolute  
12 value, the adjustment factor shall be the same as the  
13 percentage increase of the consumer price index. Annuities  
14 shall not be decreased in the event that there is a decrease in  
15 the consumer price index between the next preceding calendar  
16 year and the preceding calendar year] based on the percentage  
17 increase of the consumer price index between the next preceding  
18 calendar year and the preceding calendar year. The adjustment  
19 factor shall be applied as follows:

20 (1) if the percentage increase of the consumer  
21 price index is less than two percent in absolute value, the  
22 adjustment factor shall be the same amount as the percentage  
23 increase of the consumer price index;

24 (2) if the percentage increase of the consumer  
25 price index is two percent or greater in absolute value, the

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1 adjustment factor shall be one-half of the percentage increase;  
2 except that the adjustment shall not exceed four percent in  
3 absolute value nor be less than two percent in absolute value;  
4 and

5 (3) an annuity shall not be decreased if there  
6 is a decrease in the consumer price index between the next  
7 preceding calendar year and the preceding calendar year.

8 ~~[G.]~~ D. A retired member whose benefit is subject  
9 to adjustment under the provisions of the Educational  
10 Retirement Act in effect prior to July 1, 1984 shall have the  
11 member's annuity readjusted annually and cumulatively under the  
12 provisions of that act in effect prior to July 1, 1984 until  
13 July 1 of the year in which the member attains the age of  
14 sixty-five, when the member shall have the annuity readjusted  
15 annually and cumulatively under the provisions of this section.

16 E. A member who ~~[retires]~~:

17 (1) retires pursuant to Subsection A of  
18 Section 22-11-23 NMSA 1978 or Subsection A of Section  
19 22-11-23.1 NMSA 1978 after attaining the age of sixty-five  
20 years shall have the member's annuity adjusted annually and  
21 cumulatively commencing on July 1 of the year following the  
22 member's retirement; and

23 (2) retires pursuant to Subsection A of  
24 Section 22-11-23.2 NMSA 1978 after attaining the age of  
25 sixty-seven years shall have the member's annuity adjusted

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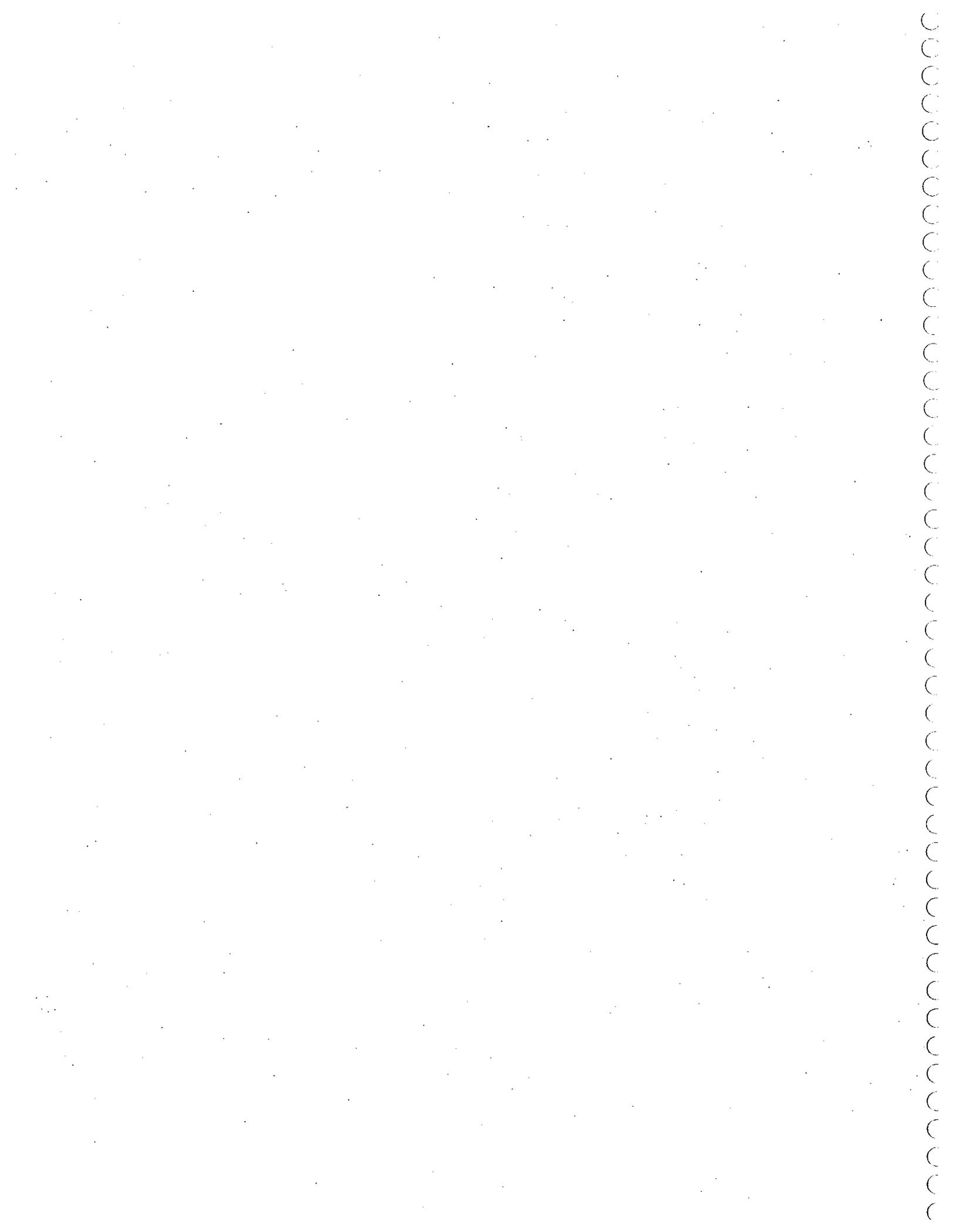
1 annually and cumulatively commencing on July 1 of the year  
2 following the member's retirement.

3 ~~[D-]~~ F. A retired member who returns to work shall  
4 be subject to the provisions of this section as they exist at  
5 the time of the member's final retirement.

6 ~~[E-]~~ G. Benefits of a member who is on a disability  
7 status in accordance with Section 22-11-35 NMSA 1978 or a  
8 member who is certified by the board ~~[certifies was]~~ as  
9 disabled at regular retirement shall be adjusted in accordance  
10 with Subsections B, ~~[and]~~ C and D of this section, except that  
11 the benefits shall be adjusted annually and cumulatively  
12 commencing on July 1 of the third full year following the year  
13 in which the member was approved by the board for disability or  
14 retirement.

15 ~~[F-]~~ H. The board shall adjust the benefits of each  
16 person receiving an annuity as of June 30, 1999. The  
17 adjustment shall be made on July 1, 1999 on the basis of an  
18 increase of two dollars (\$2.00) per month for each year since  
19 the member's last retirement plus an increase of one dollar  
20 (\$1.00) per month for each year of credited service at the time  
21 of the last retirement."

22 **SECTION 8. EFFECTIVE DATE.**--The effective date of the  
23 provisions of this act is July 1, 2013.



PROPOSALS AFFECTING THE  
EDUCATION TRUST BOARD



SENATE BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO PUBLIC FINANCE; CHANGING THE ADMINISTRATION OF THE EDUCATION TRUST ACT TO THE STATE INVESTMENT COUNCIL; ELIMINATING THE EDUCATION TRUST BOARD.

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

SECTION 1. Section 21-21K-1 NMSA 1978 (being Laws 1997, Chapter 259, Section 1) is recompiled into Chapter 6 NMSA 1978 and is amended to read:

"SHORT TITLE.--Sections 1 through [7] 6 of this act may be cited as the "Education Trust Act"."

SECTION 2. Section 21-21K-2 NMSA 1978 (being Laws 1997, Chapter 259, Section 2, as amended) is recompiled into Chapter 6 NMSA 1978 and is amended to read:

"DEFINITIONS.--As used in the Education Trust Act:

A. "beneficiary" means a person who is entitled to

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1 receive benefits under a college investment agreement or a  
2 prepaid tuition contract;

3 ~~[B.] "board" means the education trust board;~~

4 ~~C. "commission" means the commission on higher~~  
5 ~~education;~~

6 ~~D.] B.~~ "college investment agreement" means an  
7 agreement entered into by the ~~[board]~~ council and an investor,  
8 pursuant to the provisions of the Education Trust Act, to  
9 defray the costs of attendance of a beneficiary at an  
10 institution of higher education;

11 ~~[E.] C.~~ "council" means the state investment  
12 council;

13 ~~[F.] D.~~ "fund" means the education trust fund;

14 ~~[G.] E.~~ "institution of higher education" means a  
15 state public post-secondary educational institution as defined  
16 in Section 6-17-1.1 NMSA 1978, a branch college, an independent  
17 community college, a technical and vocational institute or, if  
18 approved by the ~~[board]~~ council, another public or private  
19 post-secondary educational institution located in this state or  
20 any other state;

21 ~~[H.] F.~~ "investor" means a person who has entered  
22 into a college investment agreement with the ~~[board]~~ council;

23 ~~[I.] G.~~ "prepaid tuition contract" means a contract  
24 entered into by the ~~[board]~~ council and a purchaser, pursuant  
25 to the provisions of the Education Trust Act, to provide for

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1 the payment of higher education tuition and required fees of a  
2 beneficiary; and

3 [J.] H. "purchaser" means a person who is obligated  
4 to make payments under a prepaid tuition contract."

5 SECTION 3. Section 21-21K-3 NMSA 1978 (being Laws 1997,  
6 Chapter 259, Section 3, as amended) is recompiled into Chapter  
7 6 NMSA 1978 and is amended to read:

8 "EDUCATION TRUST FUND--CREATION.--

9 A. The "education trust fund" is created in the  
10 state treasury. The [board] council shall deposit all money  
11 received pursuant to college investment agreements and prepaid  
12 tuition contracts into the fund. Money in the fund shall  
13 consist of appropriations, investments, payments, gifts,  
14 bequests and donations. All money invested in the fund is  
15 appropriated to the [board] council. Money in the fund shall  
16 not revert to the general fund at the end of the fiscal year.  
17 The [board] council shall account for each payment from an  
18 investor or purchaser on behalf of a beneficiary pursuant to a  
19 college investment agreement or prepaid tuition contract. The  
20 [board] council shall provide that all money in the fund shall  
21 be invested either by the state investment officer according to  
22 rules promulgated by the council [~~subject to the approval of~~  
23 ~~the board~~] or by a private investment advisor approved by the  
24 council pursuant to a contract between the [board] council and  
25 the investment advisor. The [board] council shall review

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1 investments made pursuant to this subsection at least  
2 quarterly.

3 B. Expenditures from the fund shall be for payments  
4 to institutions of higher education on behalf of beneficiaries  
5 or for refunds, in accordance with the provisions of the  
6 Education Trust Act, and for costs of administering that act.

7 C. In no event shall any liability of, or  
8 contractual obligation incurred by, the program established  
9 pursuant to the provisions of the Education Trust Act obligate  
10 or encumber any of the state's land grant permanent funds, the  
11 severance tax permanent fund or any money that is a part of a  
12 state-funded financial aid program. Nothing in the Education  
13 Trust Act creates any obligation, legal, moral or otherwise, to  
14 fulfill the terms of any college investment agreement or  
15 prepaid tuition contract out of any source other than the  
16 education trust fund.

17 D. The [~~board~~] council may create within the fund  
18 separate trust funds or accounts for college investment  
19 agreements and prepaid tuition contracts, and may deposit all  
20 money received pursuant to college investment agreements and  
21 prepaid tuition contracts into the related separate trust funds  
22 or accounts. The [~~board~~] council may appoint one or more  
23 custodians of the separate trust funds or accounts that shall  
24 be a state or national bank authorized to do business in the  
25 United States. No member of the [~~board~~] council, while acting

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1 within the scope of [~~his~~] the member's authority or while  
2 acting as a trustee of any trust fund or account of the [~~board~~]  
3 council, shall be subject to any personal liability for any  
4 action taken or omitted within that scope of authority."

5 SECTION 4. Section 21-21K-5 NMSA 1978 (being Laws 1997,  
6 Chapter 259, Section 5, as amended) is recompiled into Chapter  
7 6 NMSA 1978 and is amended to read:

8 "COLLEGE INVESTMENT AGREEMENT.--

9 A. An investor may enter into a college investment  
10 agreement with the [~~board~~] council under which the investor  
11 agrees to make investments into the fund from time to time for  
12 the purpose of defraying the costs of attendance billed by  
13 institutions of higher education. An investor may enter into a  
14 college investment agreement on behalf of any beneficiary.  
15 The [~~board~~] council shall adopt a form of the college  
16 investment agreement to be used by the [~~board~~] council and  
17 investors.

18 B. The [~~board~~] council shall provide for the direct  
19 payment of principal, investment earnings and capital  
20 appreciation accrued pursuant to a college investment agreement  
21 to the institution of higher education that the beneficiary  
22 actually attends.

23 C. A college investment agreement may be terminated  
24 by the investor at any time. The investor may modify the  
25 college investment agreement to designate a new beneficiary

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1 instead of the original beneficiary if the new beneficiary  
2 meets the requirements of the original beneficiary on the date  
3 the designation is changed and if the original beneficiary:

4 (1) dies;

5 (2) is not admitted to an institution of  
6 higher education following proper application;

7 (3) elects not to attend an institution of  
8 higher education or, if attending, elects to discontinue higher  
9 education; or

10 (4) for any other circumstance approved by the  
11 [~~board~~] council, does not exercise [~~his~~] the original  
12 beneficiary's rights under the college investment agreement.

13 D. The [~~board~~] council shall provide, by rule,  
14 procedures for determining the amount to be refunded for  
15 college investment agreements terminated pursuant to the  
16 provisions of this section. The balance of the accrued  
17 investment earnings and capital appreciation less the amount  
18 refunded and administrative costs shall be credited to the  
19 fund.

20 E. The [~~board~~] council shall establish a refund  
21 policy if a beneficiary receives additional student financial  
22 aid.

23 F. The [~~board~~] council shall specify, by rule,  
24 appropriate provisions for the term and termination of college  
25 investment agreements.

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1 G. Gifts and bequests to the fund may be made in  
2 the name of a specific beneficiary or in the name of the fund  
3 in general. Gifts and bequests given for the benefit of a  
4 specific beneficiary shall be credited to that beneficiary, and  
5 gifts and bequests given to the fund in general shall be  
6 credited equally to each beneficiary of a college investment  
7 agreement.

8 H. Principal paid into the fund, together with  
9 accrued investment earnings and capital appreciation, shall be  
10 excluded from any calculation of a beneficiary's state student  
11 financial aid eligibility.

12 I. The [board] council shall annually notify each  
13 investor of the status of the fund."

14 SECTION 5. Section 21-21K-6 NMSA 1978 (being Laws 1997,  
15 Chapter 259, Section 6, as amended) is recompiled into Chapter  
16 6 NMSA 1978 and is amended to read:

17 "PREPAID HIGHER EDUCATION TUITION PROGRAM--RULES.--

18 A. The [board] council may promulgate rules in  
19 order to establish a prepaid higher education tuition program.  
20 ~~[Prior to the establishment of the program, the board will~~  
21 ~~contract for a thorough feasibility study of the proposed~~  
22 ~~prepaid higher education tuition program, including an~~  
23 ~~actuarial analysis of the assumptions underlying the proposed~~  
24 ~~program, and report to the appropriate interim committee of the~~  
25 ~~legislature. The report shall include a recommendation from~~

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1 ~~the board regarding whether it is feasible to proceed with the~~  
2 ~~adoption of the proposed program based on the findings of the~~  
3 ~~feasibility study.]~~

4 B. The rules regarding the prepaid higher education  
5 tuition program shall specify at least the following:

6 (1) that prepaid tuition contracts, once paid,  
7 will cover all tuition and required fees of state public  
8 institutions of higher education;

9 (2) that payments for prepaid tuition  
10 contracts may be made either in a lump sum or in installments;

11 (3) that the prepaid tuition contracts shall  
12 include at least the following:

13 (a) provisions that allow purchasers to  
14 choose from payment plans that pay the tuition and required  
15 fees for institutions of higher education;

16 (b) provisions that allow for rollover  
17 of prepaid higher education tuition benefits from one plan to  
18 another and that provide that benefits may be used at any  
19 institution of higher education;

20 (c) penalties for termination of the  
21 contract or default on any of the contract's terms or  
22 conditions; and

23 (d) provisions that allow purchasers to  
24 change or switch beneficiaries;

25 (4) that beneficiaries must meet certain

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1 minimum eligibility requirements as determined by the [board]  
2 council;

3 (5) that the [board] council shall consider at  
4 least the following variables when setting contract prices:

5 (a) the amount and estimated rate of  
6 increase of tuition and fees at institutions of higher  
7 education;

8 (b) estimated investment returns;

9 (c) estimated administrative costs; and

10 (d) the period between the date the  
11 contract is entered into and the date the beneficiary is  
12 projected to graduate from high school;

13 (6) that gifts or bequests may be made to the  
14 fund, either on behalf of a beneficiary or to the fund  
15 generally;

16 (7) how and when institutions of higher  
17 education become eligible to participate in the program;

18 (8) that benefits under a prepaid tuition  
19 contract are excluded from any calculation of a beneficiary's  
20 state student financial aid eligibility; and

21 (9) that the [board] council shall annually  
22 provide for audited statements and actuarial studies on the  
23 condition of the fund."

24 SECTION 6. Section 21-21K-7 NMSA 1978 (being Laws 1997,  
25 Chapter 259, Section 7, as amended) is recompiled into Chapter  
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1 6 NMSA 1978 and is amended to read:

2 "REPORTS.--

3 A. The [~~board~~] council shall annually submit to the  
4 governor and to the appropriate interim legislative committee a  
5 report including:

6 (1) the [~~board's~~] council's fiscal  
7 transactions during the preceding fiscal year;

8 (2) the market and book value of the fund as  
9 of the end of the preceding fiscal year;

10 (3) the asset allocations of the fund  
11 expressed in percentages of stocks, fixed income securities,  
12 cash or other financial assets;

13 (4) the rate of return on the investment of  
14 the fund's assets during the preceding fiscal year;

15 (5) an actuarial valuation of the assets and  
16 liabilities of the program, including the extent to which the  
17 program's liabilities are unfunded; and

18 (6) complete prepaid tuition contract sales  
19 information, including projected enrollments of beneficiaries  
20 at institutions of higher education.

21 B. The [~~board~~] council shall make the report  
22 described by Subsection A of this section available to  
23 purchasers of prepaid tuition contracts and investments under  
24 college investment agreements."

25 SECTION 7. REPEAL.--Section 21-21K-4 NMSA 1978 (being

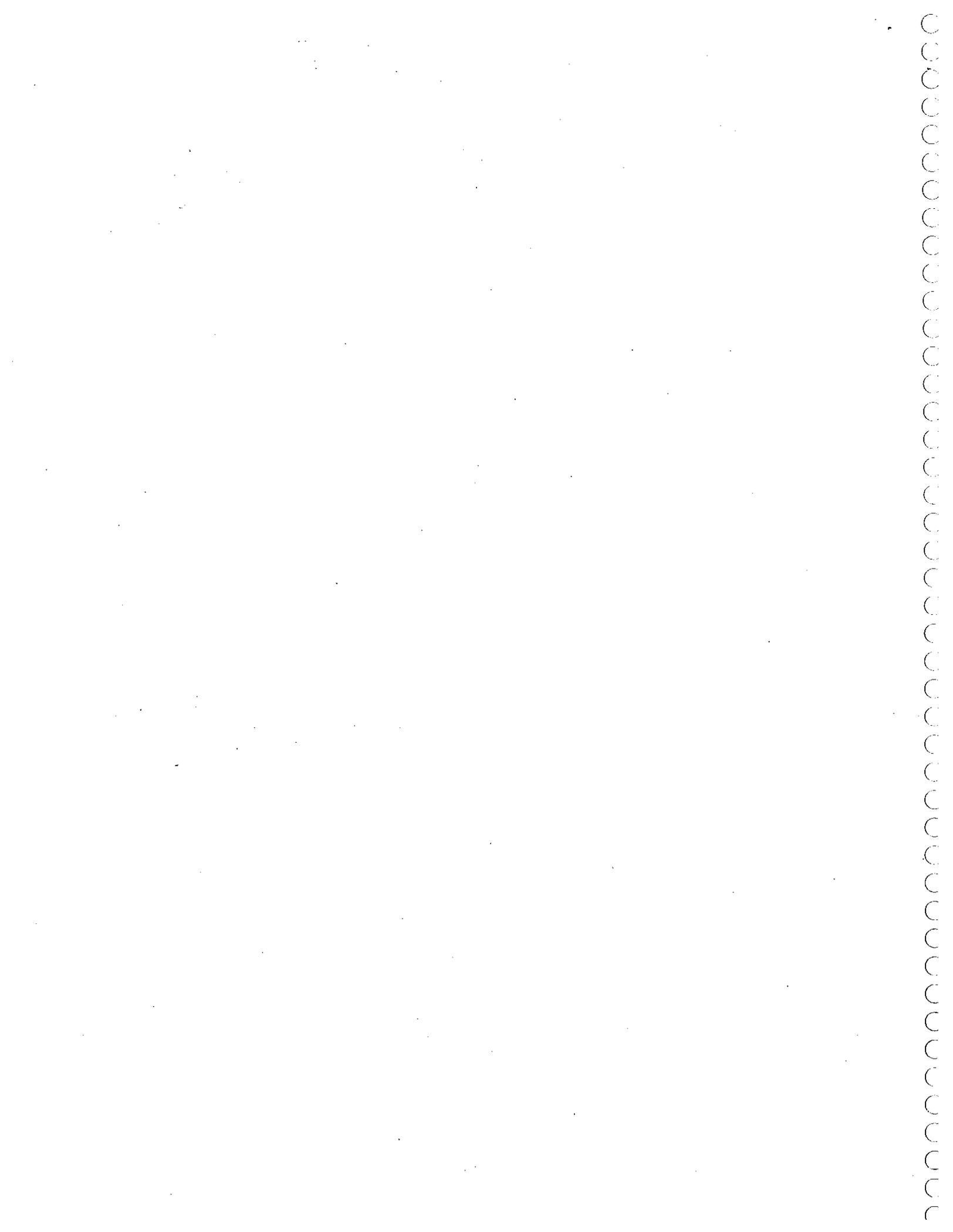
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1 Laws 1997, Chapter 259, Section 4, as amended) is repealed.

2 SECTION 8. EFFECTIVE DATE.--The effective date of the  
3 provisions of this act is July 1, 2013.

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# ADDITIONAL LEGISLATION



1 BILL

2 51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

3 INTRODUCED BY

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6 DISCUSSION DRAFT

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10 AN ACT

11 RELATING TO HEALTH CARE; AMENDING THE RETIREE HEALTH CARE ACT  
12 BY INCREASING THE EMPLOYER AND EMPLOYEE CONTRIBUTION RATES PAID  
13 TO THE RETIREE HEALTH CARE FUND; RECONCILING MULTIPLE  
14 AMENDMENTS TO THE SAME SECTION OF LAW BY REPEALING LAWS 2009,  
15 CHAPTER 287, SECTION 2.

16  
17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

18 SECTION 1. Section 10-7C-15 NMSA 1978 (being Laws 1990,  
19 Chapter 6, Section 15, as amended by Laws 2009, Chapter 287,  
20 Section 2 and by Laws 2009, Chapter 288, Section 3) is amended  
21 to read:

22 "10-7C-15. RETIREE HEALTH CARE FUND CONTRIBUTIONS.--

23 A. Following completion of the preliminary  
24 contribution period, each participating employer shall make  
25 contributions to the fund pursuant to the following provisions:

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1 (1) for participating employees who are not  
2 members of an enhanced retirement plan, the employer's  
3 contribution shall equal:

4 (a) one and three-tenths percent of each  
5 participating employee's salary for the period from July 1,  
6 2002 through June 30, 2010;

7 (b) one and six hundred sixty-six  
8 thousandths percent of each participating employee's salary for  
9 the period from July 1, 2010 through June 30, 2011;

10 (c) one and eight hundred thirty-four  
11 thousandths percent of each participating employee's salary for  
12 the period from July 1, 2011 through June 30, 2012; [and]

13 (d) two percent of each participating  
14 employee's salary [~~beginning July 1, 2012~~] from July 1, 2012  
15 through June 30, 2013;

16 (e) two and twenty-five hundredths  
17 percent of each participating employee's salary from July 1,  
18 2013 through June 30, 2014;

19 (f) two and one-half percent of each  
20 participating employee's salary from July 1, 2014 through June  
21 30, 2015;

22 (g) two and seventy-five hundredths  
23 percent of each participating employee's salary from July 1,  
24 2015 through June 30, 2016;

25 (h) three percent of each participating

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1 employee's salary from July 1, 2016 through June 30, 2017;

2 (i) three and twenty-five hundredths  
3 percent of each participating employee's salary from July 1,  
4 2017 through June 30, 2018; and

5 (j) three and one-half percent of each  
6 participating employee's salary beginning July 1, 2018;

7 (2) for participating employees who are  
8 members of an enhanced retirement plan, the employer's  
9 contribution shall equal:

10 (a) one and three-tenths percent of each  
11 participating employee's salary for the period from July 1,  
12 2002 through June 30, 2010;

13 (b) two and eighty-four thousandths  
14 percent of each participating employee's salary for the period  
15 from July 1, 2010 through June 30, 2011;

16 (c) two and two hundred ninety-two  
17 thousandths percent of each participating employee's salary for  
18 the period from July 1, 2011 through June 30, 2012; ~~[and]~~

19 (d) two and one-half percent of each  
20 participating employee's salary ~~[beginning July 1, 2012; and]~~  
21 from July 1, 2012 through June 30, 2013;

22 (e) two and eighty-one hundredths  
23 percent of each participating employee's salary from July 1,  
24 2013 through June 30, 2014;

25 (f) three and thirteen-hundredths

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1 percent of each participating employee's salary from July 1,  
2 2014 through June 30, 2015;

3 (g) three and forty-four hundredths  
4 percent of each participating employee's salary from July 1,  
5 2015 through June 30, 2016;

6 (h) three and seventy-five hundredths  
7 percent of each participating employee's salary from July 1,  
8 2016 through June 30, 2017;

9 (i) four and six-hundredths percent of  
10 each participating employee's salary from July 1, 2017 through  
11 June 30, 2018; and

12 (j) four and thirty-eight hundredths  
13 percent of each participating employee's salary beginning July  
14 1, 2018; and

15 (3) each employer that chooses to become a  
16 participating employer after January 1, 1998 shall make  
17 contributions to the fund in the amount determined to be  
18 appropriate by the board.

19 B. Following completion of the preliminary  
20 contribution period, each participating employee, as a  
21 condition of employment, shall contribute to the fund pursuant  
22 to the following provisions:

23 (1) for a participating employee who is not a  
24 member of an enhanced retirement plan, the employee's  
25 contribution shall equal:

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1 (a) sixty-five hundredths of one percent  
2 of the employee's salary for the period from July 1, 2002  
3 through June 30, 2010;

4 (b) eight hundred thirty-three  
5 thousandths of one percent of the employee's salary for the  
6 period from July 1, 2010 through June 30, 2011;

7 (c) nine hundred seventeen thousandths  
8 of one percent of the employee's salary for the period from  
9 July 1, 2011 through June 30, 2012; ~~[and]~~

10 (d) one percent of the employee's salary  
11 ~~[beginning July 1, 2012]~~ from July 1, 2012 through June 30,  
12 2014;

13 (e) one and one-fourth percent of the  
14 employee's salary from July 1, 2014 through June 30, 2015;

15 (f) one and one-half percent of the  
16 employee's salary from July 1, 2015 through June 30, 2016; and

17 (g) one and three-fourths percent of the  
18 employee's salary beginning July 1, 2016;

19 (2) for a participating employee who is a  
20 member of an enhanced retirement plan, the employee's  
21 contribution shall equal:

22 (a) sixty-five hundredths of one percent  
23 of the employee's salary for the period from July 1, 2002  
24 through June 30, 2010;

25 (b) one and forty-two thousandths

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1 percent of the employee's salary for the period from July 1,  
2 2010 through June 30, 2011;

3 (c) one and one hundred forty-six  
4 thousandths percent of the employee's salary from July 1, 2011  
5 through June 30, 2012; ~~[and]~~

6 (d) one and one-fourth percent of the  
7 employee's salary ~~[beginning July 1, 2012; and]~~ from July 1,  
8 2012 through June 30, 2014;

9 (e) one and fifty-six hundredths percent  
10 of the employee's salary from July 1, 2014 through June 30,  
11 2015;

12 (f) one and eighty-eight hundredths  
13 percent of the employee's salary from July 1, 2015 through June  
14 30, 2016; and

15 (g) two and nineteen-hundredths percent  
16 of the employee's salary beginning July 1, 2016; and

17 (3) as a condition of employment, each  
18 participating employee of an employer that chooses to become a  
19 participating employer after January 1, 1998 shall contribute  
20 to the fund an amount that is determined to be appropriate by  
21 the board. Each month, participating employers shall deduct  
22 the contribution from the participating employee's salary and  
23 shall remit it to the board as provided by any procedures that  
24 the board may require.

25 C. On or after July 1, 2009, no person who has

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1 obtained service credit pursuant to Subsection B of Section  
2 10-11-6 NMSA 1978, Section 10-11-7 NMSA 1978 or Paragraph (3)  
3 or (4) of Subsection A of Section 22-11-34 NMSA 1978 may enroll  
4 with the authority unless the person makes a contribution to  
5 the fund equal to the full actuarial present value of the  
6 amount of the increase in the person's health care benefit, as  
7 determined by the authority.

8 D. Except for contributions made pursuant to  
9 Subsection C of this section, a participating employer that  
10 fails to remit before the tenth day after the last day of the  
11 month all employer and employee deposits required by the  
12 Retiree Health Care Act to be remitted by the employer for the  
13 month shall pay to the fund, in addition to the deposits,  
14 interest on the unpaid amounts at the rate of six percent per  
15 year compounded monthly.

16 E. Except for contributions made pursuant to  
17 Subsection C of this section, the employer and employee  
18 contributions shall be paid in monthly installments based on  
19 the percent of payroll certified by the employer.

20 F. Except in the case of erroneously made  
21 contributions or as may be otherwise provided in Subsection D  
22 of Section 10-7C-9 NMSA 1978, contributions from participating  
23 employers and participating employees shall become the property  
24 of the fund on receipt by the board and shall not be refunded  
25 under any circumstances, including termination of employment or

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1 termination of the participating employer's operation or  
2 participation in the Retiree Health Care Act.

3 G. Notwithstanding any other provision in the  
4 Retiree Health Care Act and at the first session of the  
5 legislature following July 1, 2013, the legislature shall  
6 review and adjust the distributions pursuant to Section 7-1-6.1  
7 NMSA 1978 and the employer and employee contributions to the  
8 authority in order to ensure the actuarial soundness of the  
9 benefits provided under the Retiree Health Care Act.

10 H. As used in this section, "member of an enhanced  
11 retirement plan" means:

12 (1) a member of the public employees  
13 retirement association who, pursuant to the Public Employees  
14 Retirement Act, is included in:

15 (a) state police member and adult  
16 correctional officer member coverage plan 1;

17 (b) municipal police member coverage  
18 plan 3, 4 or 5;

19 (c) municipal fire member coverage plan  
20 3, 4 or 5; or

21 (d) municipal detention officer member  
22 coverage plan 1; or

23 (2) a member pursuant to the provisions of the  
24 Judicial Retirement Act."

25 SECTION 2. REPEAL.--Laws 2009, Chapter 287, Section 2 is

.190944.1

1 repealed.

2 SECTION 3. EFFECTIVE DATE.--The effective date of the  
3 provisions of this act is July 1, 2013.

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