

HOUSE BILL 501

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

INTRODUCED BY

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Pursuant to House Rule 24-1, this document incorporates amendments that have been adopted prior to consideration of this measure by the House. It is a tool to show the amendments in context and is not to be used for the purpose of amendments.

AN ACT

RELATING TO PUBLIC EMPLOYEE PENSIONS; INCREASING PUBLIC EMPLOYER AND LOCAL ADMINISTRATIVE UNIT CONTRIBUTIONS TO THE FUNDS INCLUDED UNDER THE PUBLIC EMPLOYEES RETIREMENT ACT AND THE EDUCATIONAL RETIREMENT FUND.

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

SECTION 1. Section 10-11-26.6 NMSA 1978 (being Laws 1994, Chapter 128, Section 7, as amended) is amended to read:

"10-11-26.6. STATE GENERAL MEMBER COVERAGE PLAN 3--STATE CONTRIBUTION RATE.--The state shall contribute [~~sixteen and ninety-nine~~] seventeen and SFC→**forty-nine** **twenty-four**←SFC

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hundredths percent of the salary of each member covered by state general member coverage plan 3 starting with the first pay period that ends within the calendar month in which state general member coverage plan 3 becomes applicable to the member [~~except that, from July 1, 2013 through June 30, 2014, the state contribution rate shall be sixteen and fifty-nine hundredths percent of the salary of each member~~]."

SECTION 2. Section 10-11-38.6 NMSA 1978 (being Laws 1994, Chapter 128, Section 14, as amended) is amended to read:

"10-11-38.6. JUVENILE CORRECTIONAL OFFICER MEMBER COVERAGE PLAN 2--STATE CONTRIBUTION RATE.--The state shall contribute twenty-six and [~~twelve~~] SFC→**sixty-two** **thirty-seven**←SFC hundredths percent of the salary of each member covered by juvenile correctional officer member coverage plan 2 starting with the first pay period that ends within the calendar month in which juvenile correctional officer member coverage plan 2 becomes applicable to the member [~~except that, from July 1, 2013 through June 30, 2014, the state contribution rate shall be twenty-five and seventy-two hundredths percent of the salary of each member~~]."

SECTION 3. Section 10-11-49 NMSA 1978 (being Laws 1987, Chapter 253, Section 49, as amended) is amended to read:

"10-11-49. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated public employer shall contribute seven and [~~four-tenths~~]

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SFC→~~nine-tenths~~ sixty-five hundredths←SFC percent of the salary of each member it employs and who is covered under municipal general member coverage plan 1 [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be seven percent of the salary of each member~~]."

SECTION 4. Section 10-11-55 NMSA 1978 (being Laws 1987, Chapter 253, Section 55, as amended) is amended to read:

"10-11-55. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2-- AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated public employer shall contribute [~~nine and fifty-five~~] SFC→~~ten and five-hundredths~~ nine and eight-tenths←SFC percent of the salary of each member it employs and who is covered under municipal general member coverage plan 2 [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be nine and fifteen-hundredths percent of the salary of each member~~]."

SECTION 5. Section 10-11-55.6 NMSA 1978 (being Laws 1993, Chapter 58, Section 6, as amended) is amended to read:

"10-11-55.6. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3-- AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated public employer shall contribute [~~nine and fifty-five~~] SFC→~~ten and five-hundredths~~ nine and eight-tenths←SFC percent of the salary of each member it employs and who is covered under municipal general member coverage plan 3 [~~except that, from~~

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~~July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be nine and fifteen-hundredths percent of the salary of each member]."~~

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

"10-11-55.12. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4-- AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--An affiliated public employer shall contribute twelve and [five] SFC→**fifty-five hundredths** **three-tenths**←SFC percent of the salary of each member it employs and who is covered under municipal general member coverage plan 4 [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be eleven and sixty-five hundredths percent of the salary of each member]."~~

SECTION 7. Section 10-11-61 NMSA 1978 (being Laws 1987, Chapter 253, Section 61, as amended) is amended to read:

"10-11-61. MUNICIPAL POLICE MEMBER COVERAGE PLAN 1-- AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated public employer shall contribute ten and [four] SFC→**nine-tenths** **sixty-five hundredths**←SFC percent of the salary of each member it employs and who is covered under municipal police member coverage plan 1 [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be ten percent of the salary of each member]."~~

SECTION 8. Section 10-11-67 NMSA 1978 (being Laws 1987, .212450.3SA

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Chapter 253, Section 67, as amended) is amended to read:

"10-11-67. MUNICIPAL POLICE MEMBER COVERAGE PLAN 2--
AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated
public employer shall contribute fifteen and [four] SFC→~~nine-~~
~~tenths~~ sixty-five hundredths←SFC percent of the salary of each
member it employs and who is covered under municipal police
member coverage plan 2 [~~except that, from July 1, 2013 through
June 30, 2014, the affiliated public employer contribution rate
shall be fifteen percent of the salary of each member~~]."

SECTION 9. Section 10-11-73 NMSA 1978 (being Laws 1987,
Chapter 253, Section 73, as amended) is amended to read:

"10-11-73. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--
AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated
public employer shall contribute [~~eighteen and nine-tenths~~]
~~nineteen and~~ SFC→~~four-tenths~~ fifteen hundredths←SFC percent of
the salary of each member it employs and who is covered under
municipal police member coverage plan 3 [~~except that, from July
1, 2013 through June 30, 2014, the affiliated public employer
contribution rate shall be eighteen and one-half percent of the
salary of each member~~]."

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

"10-11-79. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--
AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated
public employer shall contribute [~~eighteen and nine-tenths~~]

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~~nineteen and SFC~~ → ~~four-tenths~~ **fifteen hundredths** ← SFC percent of the salary of each member it employs and who is covered under municipal police member coverage plan 4 [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be eighteen and one-half percent of the salary of each member~~]."

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

"10-11-85. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5-- AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated public employer shall contribute [~~eighteen and nine-tenths~~] ~~nineteen and SFC~~ → ~~four-tenths~~ **fifteen hundredths** ← SFC percent of the salary of each member it employs and who is covered under municipal police member coverage plan 5 [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be eighteen and one-half percent of the salary of each member~~]."

SECTION 12. Section 10-11-91 NMSA 1978 (being Laws 1987, Chapter 253, Section 91, as amended) is amended to read:

"10-11-91. MUNICIPAL FIRE MEMBER COVERAGE PLAN 1-- AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated public employer shall contribute eleven and [~~four~~] ~~SFC~~ → ~~nine-tenths~~ **sixty-five hundredths** ← SFC percent of the salary of each member it employs and covers under municipal fire member coverage plan 1 [~~except that, from July 1, 2013 through June~~

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~~30, 2014, the affiliated public employer contribution rate shall be eleven percent of the salary of each member]."~~

SECTION 13. Section 10-11-97 NMSA 1978 (being Laws 1987, Chapter 253, Section 97, as amended) is amended to read:

"10-11-97. MUNICIPAL FIRE MEMBER COVERAGE PLAN 2-- AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated public employer shall contribute [~~seventeen and nine-tenths~~] eighteen and SFC→~~four-tenths~~ fifteen-hundredths←SFC percent of the salary of each member it employs and covers under municipal fire member coverage plan 2 [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be seventeen and one-half percent of the salary of each member]."~~

SECTION 14. Section 10-11-103 NMSA 1978 (being Laws 1987, Chapter 253, Section 103, as amended) is amended to read:

"10-11-103. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3-- AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated public employer shall contribute [~~twenty-one and sixty-five~~] SFC→twenty-one and ~~sixty-five~~←SFC SFC→~~twenty-two and fifteen-hundredths~~ nine-tenths←SFC percent of the salary of each member it employs and covers under municipal fire member coverage plan 3 [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be twenty-one and twenty-five hundredths percent of the salary of each member]."~~

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SECTION 15. Section 10-11-109 NMSA 1978 (being Laws 1987, Chapter 253, Section 109, as amended) is amended to read:

"10-11-109. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4-- AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated public employer shall contribute [~~twenty-one and sixty-five~~ SFC→**twenty-one and sixty-five**←SFC SFC→~~twenty-two and fifteen-hundredths~~ **nine-tenths**←SFC percent of the salary of each member it employs and covers under municipal fire member coverage plan 4 [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be twenty-one and twenty-five hundredths percent of the salary of each member~~]."

SECTION 16. Section 10-11-115 NMSA 1978 (being Laws 1987, Chapter 253, Section 115, as amended) is amended to read:

"10-11-115. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5-- AFFILIATED PUBLIC EMPLOYER CONTRIBUTION RATE.--The affiliated public employer shall contribute [~~twenty-one and sixty-five~~ SFC→**twenty-one and sixty-five**←SFC SFC→~~twenty-two and fifteen-hundredths~~ **nine-tenths**←SFC percent of the salary of each member it employs and covers under municipal fire member coverage plan 5 [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be twenty-one and twenty-five hundredths percent of the salary of each member~~]."

SECTION 17. Section 10-11-115.6 NMSA 1978 (being Laws .212450.3SA

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2003, Chapter 268, Section 7, as amended) is amended to read:

"10-11-115.6. MUNICIPAL DETENTION OFFICER MEMBER COVERAGE PLAN 1--EMPLOYER CONTRIBUTION RATE.--The affiliated public employer shall contribute seventeen and [five] SFC→**fifty-five hundredths** **three-tenths**←SFC percent of the salary of each member under municipal detention officer member coverage plan 1 starting with the first pay period that ends within the calendar month in which municipal detention officer member coverage plan 1 becomes applicable to the member [~~except that, from July 1, 2013 through June 30, 2014, the affiliated public employer contribution rate shall be sixteen and sixty-five hundredths percent of the salary of each member~~]."

SECTION 18. 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 D of this section, 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:~~

(1) ~~from July 1, 2013 through June 30, 2014, the member contribution rate shall be ten and one-tenth percent of the member's annual salary; and~~

(2) ~~on and after July 1, 2014, the member contribution rate shall be] in an amount equal to ten and~~

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seven-tenths percent of the member's annual salary.

B. On and after July 1, 2008, for a member whose annual salary is twenty thousand dollars (\$20,000) or less, the member contribution rate shall be seven and nine-tenths percent of the member's annual salary.

C. Except as provided in Subsection D of this section, each local administrative unit shall make an annual contribution to the fund [~~according to the following schedule:~~

~~(1) from July 1, 2013 through June 30, 2014, a sum equal to thirteen and fifteen-hundredths percent of the annual salary of each member employed by the local administrative unit; and~~

~~(2) on and after July 1, 2014, a sum equal to thirteen and nine-tenths]~~ in an amount equal to fourteen and
SFC→~~four-tenths~~ fifteen-hundredths←SFC percent of the annual salary of each member employed by the local administrative unit.

D. If, in a calendar year, the salary of a member, initially employed by a local administrative unit on or after July 1, 1996, equals the annual compensation limit set pursuant to Section 401(a)(17) of the Internal Revenue Code of 1986, as amended, then:

(1) for the remainder of that calendar year, no additional member contributions or local administrative unit contributions for that member shall be made pursuant to this

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section; provided that no member shall be denied service credit solely because contributions are not made by the member or on behalf of the member pursuant to the provisions of this subsection; and

(2) the amount of the annual compensation limit shall be divided into four equal portions, and, for purposes of attributing contributory employment and crediting service credit, each portion shall be attributable to one of the four quarters of the calendar year."

SECTION 19. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2019.