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FISCAL IMPACT REPORT

ORIGINAL DATE 2/13/19

SPONSOR Sedillo Lopez LAST UPDATED _____ HB _____

SHORT TITLE Educational Retirement Board Membership SB 439

ANALYST Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Educational Retirement Board (ERB)

SUMMARY

Synopsis of Bill

Senate Bill 439 (SB439) increases the number of members on the Educational Retirement Board from seven to nine to include one additional governor appointee and one member elected by members of the American federation of teachers (AFT) in New Mexico. SB439 would bring the total number of governor appointees on the board to three and the additional AFT-elected member would join the current one elected member from the national education association in representing public school teachers and employees.

FISCAL IMPLICATIONS

The Educational Retirement Board does not report a fiscal impact associated with enactment of SB439.

SIGNIFICANT ISSUES

Of the current seven member board, only the two members appointed by the governor are required to have a background in investments, finance, or pension fund administration. SB439 states that the third governor appointee shall have a background in public education. Adding the two additional members will reduce the proportion of membership with an investment background.

