

1 SENATE MEMORIAL 119

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

3 INTRODUCED BY

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10 A MEMORIAL

11 REQUESTING ACKNOWLEDGMENT THAT THE RETIREMENT SECURITY CRISIS
12 MUST BE ADDRESSED BY STATE INTERVENTION AND THAT THE STATE
13 TREASURER DEVISE AN IMPLEMENTATION PLAN TO ESTABLISH THE
14 RETIREMENT INCOME SECURITY TASK FORCE'S RECOMMENDATIONS.

15
16 WHEREAS, the legislatively created retirement income
17 security task force was established in 2017 to study the
18 preparedness of New Mexicans to retire in a financially secure
19 manner; and

20 WHEREAS, the retirement income security task force found
21 that if the legislature does not act to address financial
22 insecurity in retirement, the number of persons over sixty
23 years old with less than ten thousand dollars (\$10,000) saved
24 for retirement in New Mexico will increase by roughly thirty-
25 one percent by 2040, to a total of four hundred sixty-nine

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1 thousand residents; and

2 WHEREAS, the average social security benefit in New Mexico
3 is only about thirteen thousand nine hundred dollars (\$13,900)
4 per year, while, on average, older American families spend
5 about twenty thousand dollars (\$20,000) per year on food,
6 utilities and health care alone; and

7 WHEREAS, the retirement income security task force found
8 that underfunding of retirement savings has the potential to
9 place an enormous strain on the state budget as it seeks to
10 provide quality services and care to the elderly and may lead
11 to reduced quality of life for retirees; and

12 WHEREAS, after months of research and gathering input from
13 diverse stakeholders, the retirement income security task force
14 recommended three legislative actions, known as New Mexico
15 saves, to address this crisis: financial literacy, creation of
16 an online marketplace and creation of a voluntary payroll
17 deduction individual retirement account;

18 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE
19 OF NEW MEXICO that the retirement security crisis must be
20 addressed by state intervention; and

21 BE IT FURTHER RESOLVED that the state treasurer be
22 requested to devise an implementation plan to establish the
23 retirement income security task force's recommendations that:

24 A. prepares a time line for implementation of the
25 New Mexico saves program, which may include a financial

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1 literacy campaign, an online marketplace and a voluntary
2 payroll deduction individual retirement account plan;

3 B. investigates the feasibility and benefits of
4 partnering with other similar programs established in other
5 states;

6 C. provides a proposed funding plan for the
7 program;

8 D. provides a recommendation of the optimal
9 oversight structure of the program;

10 E. makes recommendations to the legislature
11 regarding ways to increase participation in the New Mexico
12 saves program; and

13 F. proposes to the legislature any necessary
14 authorizing legislation; and

15 BE IT FURTHER RESOLVED that the state treasurer be
16 requested to report the state treasurer's findings and
17 recommendations, including any proposed legislation, to the
18 appropriate interim legislative committee by November 1, 2019;
19 and

20 BE IT FURTHER RESOLVED that copies of this memorial be
21 transmitted to the president pro tempore of the senate, the
22 speaker of the house of representatives, the minority floor
23 leader of the senate, the minority floor leader of the house of
24 representatives, the governor, the state treasurer, the
25 secretary of aging and long-term services, the secretary of

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1 finance and administration, the secretary of workforce
2 solutions, the secretary of economic development, the state
3 investment officer, the executive director of the public
4 employees retirement association, the executive director of the
5 New Mexico educational retirement board, the director of the
6 securities division of the regulation and licensing department
7 and members of the 2017 retirement income security task force.