

LFC Requester:	Emily Hilla
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date 01/25/2024

Bill No: HB236

Sponsor: Gail Chasey, Mimi Stewart & Ryan Lane
Short Title: Public Safety Retirees Returning to Work

Agency Name and Code Number: 770 - NMCD
Person Writing: Anisa Griego-Quintana
Phone: 505-479-2296 **Email:** anisa.griego-quinta@cd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
0	0	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
0	0	0	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 236 permits certain retired public safety employees to return to work for an affiliated public employer after a hiatus of at least 90 days. Applies to retired adult correctional officers, adult detention officers, juvenile correctional officers, juvenile detention officers, municipal police officers, sheriff’s deputies, and state police officers. Imposes conditions.

The member must have retired prior to December 31, 2023, and subsequent employment must begin prior to July 1, 2027.

The pension shall continue to be paid for up to 36 months during the subsequent employment; however, no service credit will accrue during subsequent employment.

Retiree and employer must make required contributions to the applicable coverage plan, which are not refundable at termination of the subsequent employment.

A retired member shall not be hired for reemployment into a position with a vacancy rate below 10%.

Requires the subsequent employer to track and document data concerning the retired member’s employment, and directs that, if a layoff is needed due to budgetary restrictions, the retired member is to be laid off before any other members.

Effective date is July 1, 2024.

FISCAL IMPLICATIONS

This may help add some additional correctional officers if passed, but we would still have to stay within our appropriated budget and budgeted vacancies. So, no additional impact to current budget.

SIGNIFICANT ISSUES

The bill applies to a retired PERA member who wants to return to work after retirement as an (a) adult correctional officer; (b) adult detention officer; (c) juvenile correctional officer; (d)

juvenile detention officer; (e) municipal police officer; (f) sheriff's deputy; or (g) state police officer. It does not appear that there is a limitation based on what the retired PERA member's qualifications were or what PERA plan they were part of before retirement.

These comments focus on how this bill would impact NMCD, not other agencies.

The bill would allow retired state employees to return to work as correctional officers (defined as "a person who is employed as an adult correctional officer or an adult correctional officer specialist by a state correctional facility of the corrections department or its successor agency") and receive their pension payments along with their employment compensation. The conditions relevant to NMCD are:

1. Employee was not employed or retained as an independent contractor by a public employer for at least 90 consecutive days from the date of retirement to the start of new employment or return to work;
2. Employee must have retired prior to December 31, 2023;
3. The employee's pension would continue to be paid during the period of employment after retirement;
4. The employee would not become a PERA member or accrue service credit for the period of employment after retirement;
5. Nonrefundable PERA contributions would be required to be made by the employee and employer despite no service credit earned for the employee and no PERA membership;
6. Returning retired employee would have no seniority based on pre-retirement employment for purposes of shift selection;
7. Returning retired employee can be employed without a mandatory time limit for termination, but can only receive 36 months of pension payments while reemployed;
8. Returning retired employee cannot be hired into a position with a vacancy rate lower than 10 percent at time of hiring; and
9. Subsequent employment by returning employees must begin before July 1, 2027.
10. Tracking and reporting requirements are imposed on the employer; and
11. If layoffs are required, returning retired employees shall be laid off before PERA members.

PERFORMANCE IMPLICATIONS

None for the Corrections Department.

ADMINISTRATIVE IMPLICATIONS

None for the Corrections Department.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This is similar to and conflicts with HB 154, SB 87, and SB 123, which would allow retired state employees to return to work as correctional officers or probation and parole officers and receive their pension payments under different terms.

TECHNICAL ISSUES

None for the Corrections Department.

OTHER SUBSTANTIVE ISSUES

None for the Corrections Department.

ALTERNATIVES

None proposed by the Corrections Department.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

None proposed by the Corrections Department.