

LFC Requester:	Joseph Simon
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.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 01/19/2024

Bill No: SB87

Sponsor: Craig Brandt
Short Title: Law Enforcement Retirement Changes

Agency Name and Code: New Mexico Retiree Health Care Authority
Number: 34300
Person Writing: Keith Witt
Phone: 505-222-6416 **Email:** Keith.witt@rhca.nm.gov

SECTION II: FISCAL IMPACT

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0	\$0	\$0	\$0	N/A	Healthcare Benefits Administration Fund

(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:

Senate Bill 87 Amends the Public Employees Retirement Act allowing members who were employed as qualified law enforcement officers in another state or by the federal government who are subsequently employed by a NM public employer to purchase up to five years of service credit, and allowing certain public safety employees to return to work under specific conditions.

Section 1 item J:

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

FISCAL IMPLICATIONS

SB 87 has no/minimal fiscal impact on NMRHCA. Per the above statute, all eligible retirees purchasing service credit through the pension system, is required to separately purchase time with the NMRHCA if they desire to increase the number of years of service for the purpose of calculating the premium subsidy amount received from the NMRHCA. The calculation for cost per year is based on an actuarial value based on age and number of years retiree desires to purchase.

The Service Credit Purchase Table is available at: [New-Mexico-Retiree-Health-Care-Authority-2023-Service-Purchase-Letter-003.pdf \(nmrhca.org\)](#)

If the retiree returns to work, the pension will be suspended therefore the retiree becomes ineligible for the NMRHCA benefits until the pension is reinstated.

With the inclusion of this requirement in SB87 to purchase time separately through the NMRHCA , there is no/minimal fiscal impact.

SIGNIFICANT ISSUES

None

PERFORMANCE IMPLICATIONS

None

ADMINISTRATIVE IMPLICATIONS

None

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS