

LFC Requester:

Simon, Joseph

**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION****WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://agencyanalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.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}***Date Prepared:** 3/10/25*Check all that apply:***Bill Number:** SB 173Original ☐ Correction ☒Amendment ☐ Substitute ☐

**Sponsor:** Senator Gallegos & Senator  
Maestas  
**Short Title:** TELECOMMUNICATORS AS  
POLICE MEMBERS IN PERA

**Agency Name****and Code**366-PERA**Number:****Person Writing** Anna Williams**Phone:** 505-259-8489 **Email** Annae.williams@pera.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(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:

SB 173 amends the PERA Act [NMSA 1978 10-11-2] to include public safety telecommunicators employed by a municipality or the state in the definition of “municipal police member” and “state police member”. These employee groups are both currently covered under a 25-year retirement plan, either Municipal General Coverage Plan 1-5 or State General Member Coverage Plan 3 respectively; The amendment also requires that PERA conduct an election for members currently covered under Municipal General Coverage Plan 1-5 to move into Municipal Police Coverage Plan 5. Lastly, the amendment requires that PERA conduct an election for members covered under State General Member Coverage Plan 3 to move to State Public Safety Member Coverage Plan 1.

#### **FISCAL IMPLICATIONS**

For the year ending June 30, 2024, the State Public Safety plan fund has a funded ratio of 124.3% and the Municipal Police plan has a funded ratio of 71.40%.

PERA has received a list of 600 dispatchers; however, the Department of Public Safety has indicated that the actual number could be closer to 1,000 dispatchers. Based on the assumption that the list of 600 is accurate and complete, PERA’s actuaries estimated that SB 173 would increase the unfunded liability by \$18 million. PERA is currently working with its actuaries to evaluate whether moving dispatchers into the Municipal Fire Plan, rather than the Municipal Police Plan, would mitigate the associated costs.

#### **SIGNIFICANT ISSUES**

There have been numerous member groups that have proposed being combined with State Police and Adult Correctional Officer Member Coverage Plan 1 benefits in recent years. The cumulative effect of multiple groups moving into the division is unknown. As benefit levels increase, the incentive to retire earlier may further increase costs.

#### **PERFORMANCE IMPLICATIONS**

SB 173 will not impact PERA’s performance measures.

#### **ADMINISTRATIVE IMPLICATIONS**

PERA will have to make system modifications to its pension administration system to ensure that members are placed under the correct coverage plan.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None.

## **TECHNICAL ISSUES**

## **OTHER SUBSTANTIVE ISSUES**

Dispatchers are currently eligible to receive Social Security benefits, while police do not participate in Social Security. By equalizing the PERA pension coverage received by dispatchers and police, dispatchers may ultimately receive better overall retirement coverage due to the additional federal retirement benefits that are not available to police members.

To transfer current members to a new coverage plan, PERA is required to conduct an election of those members. As noted, it is unclear if PERA has a complete list of current dispatchers. If the list is incomplete, an election that is conducted that does not include all members as eligible voters could raise legal due process concerns.

## **ALTERNATIVES**

None.

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Public Safety Telecommunicators would continue to be covered under their current coverage plans with the current benefit structure.

## **AMENDMENTS**

None.