

1 AN ACT  
2 RELATING TO JUDICIAL RETIREMENT; PROVIDING FOR APPROPRIATIONS  
3 AND INCOME DERIVED FROM INVESTMENTS TO BE CREDITED TO THE  
4 JUDICIAL RETIREMENT FUND; ADJUSTING YEARS OF SERVICE CREDIT  
5 REQUIRED FOR CERTAIN JUDGES; INCREASING CERTAIN SERVICE  
6 CREDIT MULTIPLIERS PROVIDED IN THE JUDICIAL RETIREMENT ACT.

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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

9 SECTION 1. Section 10-12B-3 NMSA 1978 (being Laws 1992,  
10 Chapter 111, Section 3, as amended) is amended to read:

11 "10-12B-3. JUDICIAL RETIREMENT FUND ESTABLISHED--  
12 ADMINISTRATION OF FUND--ACCOUNTING FUNDS.--

13 A. There is established in the state treasury the  
14 "judicial retirement fund". The fund consists of  
15 appropriations, money received from docket and jury fees of  
16 metropolitan courts, district courts, the court of appeals  
17 and the supreme court, employer and employee contributions  
18 and all income derived from the investment of the fund. The  
19 board is the trustee of the fund and shall administer and  
20 invest the fund. Investment of the fund shall be conducted  
21 pursuant to the provisions of the Public Employees Retirement  
22 Act. The provisions of the Judicial Retirement Act shall be  
23 administered by the board. The board is authorized to  
24 promulgate rules. Expenses related to the investment of the  
25 fund and administration of the Judicial Retirement Act shall

1 be paid from the fund.

2 B. For purposes of this section, the accounting  
3 funds shall be known as the "member contribution fund",  
4 "employer's accumulation fund", "retirement reserve fund" and  
5 "income fund". The maintenance of separate accounting funds  
6 shall not require the actual segregation of the assets of the  
7 fund.

8 C. The accounting funds provided for in this  
9 section are trust funds and shall be used only for the  
10 purposes provided for in the Judicial Retirement Act.

11 D. The member contribution fund is the accounting  
12 fund in which shall be accumulated contributions of members  
13 and from which shall be made refunds and transfers of  
14 accumulated member contributions as provided in the Judicial  
15 Retirement Act. The member's court shall cause member  
16 contributions to be deducted from the salary of the member  
17 and shall remit the deducted member contributions to the  
18 association in accordance with procedures and schedules  
19 established by the association. The association may assess  
20 an interest charge and a penalty charge on any late  
21 remittance. Each member shall be deemed to consent and agree  
22 to the deductions made and provided for in this section.  
23 Contributions by members shall be credited to the members'  
24 individual accounts in the member contribution fund. A  
25 member's accumulated member contributions shall be

1 transferred to the retirement reserve fund when a pension  
2 becomes payable.

3 E. The employer's accumulation fund is the  
4 accounting fund in which shall be accumulated the  
5 contributions paid by the state through the member's court.  
6 The state, through the member's court, shall remit its  
7 contributions to the association in accordance with  
8 procedures and schedules established by the association. The  
9 board may assess an interest charge and a penalty charge on  
10 any late remittance.

11 F. The retirement reserve fund is the accounting  
12 fund from which shall be paid all pensions to retired members  
13 and survivor beneficiaries and all residual refunds to refund  
14 beneficiaries of retired members and survivor beneficiaries.

15 G. Each year, following receipt of the report of  
16 the annual actuarial valuation, the excess, if any, of the  
17 reported actuarial present value of pensions being paid and  
18 likely to be paid to retired members and survivor  
19 beneficiaries and residual refunds likely to be paid to  
20 refund beneficiaries of retired members and survivor  
21 beneficiaries over the balance in the retirement reserve fund  
22 shall be transferred to the retirement reserve fund from the  
23 employer's accumulation fund.

24 H. The income fund is the accounting fund to which  
25 shall be credited all interest, dividends, rents and other

1 income from investments of the fund, all gifts and bequests,  
2 all unclaimed member contributions and all other money the  
3 disposition of which is not specifically provided for in the  
4 Judicial Retirement Act. Expenses related to the  
5 administration of the Judicial Retirement Act shall be paid  
6 for from the income fund.

7 I. The association shall at least annually  
8 distribute all or a portion of the balance in the income fund  
9 to the member contribution fund, the retirement reserve fund  
10 and the employer's accumulation fund. Distribution rates  
11 shall be determined by the board and may vary for the  
12 respective accounting funds."

13 SECTION 2. Section 10-12B-8 NMSA 1978 (being Laws 1992,  
14 Chapter 111, Section 8, as amended) is amended to read:

15 "10-12B-8. AGE AND SERVICE CREDIT REQUIREMENTS FOR  
16 NORMAL RETIREMENT.--

17 A. For an individual who initially became a member  
18 prior to July 1, 2005, the age and service credit  
19 requirements for retirement provided for in the Judicial  
20 Retirement Act are:

21 (1) age sixty-five years or older and five  
22 or more years of service credit; or

23 (2) age sixty years or older and fifteen or  
24 more years of service credit.

25 B. For an individual who initially became a member HB 182/a  
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1 after June 30, 2005 but on or before June 30, 2014, the age  
2 and service credit requirements for retirement provided for  
3 in the Judicial Retirement Act are:

4 (1) age sixty-five years or older and five  
5 or more years of service credit; or

6 (2) age fifty-five years or older and  
7 sixteen or more years of service credit.

8 C. For an individual who initially became a member  
9 on or after July 1, 2014, the age and service requirements  
10 provided for in the Judicial Retirement Act are:

11 (1) age sixty-five years and five or more  
12 years of service credit; or

13 (2) age sixty years and fifteen or more  
14 years of service credit.

15 D. Except for a member who is retired under any  
16 state system or the educational retirement system, if a  
17 member leaves office for any reason, other than removal  
18 pursuant to Article 6, Section 32 of the constitution of New  
19 Mexico, before meeting the age and service credit  
20 requirements for retirement pursuant to the provisions of  
21 this section and if that member leaves the member  
22 contributions on deposit in the fund, that member may apply  
23 for retirement when that member meets the age and service  
24 credit requirements for retirement pursuant to the provisions  
25 of the Judicial Retirement Act or provisions of the Public

1 Employees Retirement Reciprocity Act.

2 E. No member shall be eligible to receive a  
3 pension pursuant to the provisions of the Judicial Retirement  
4 Act while still in office."

5 SECTION 3. Section 10-12B-9 NMSA 1978 (being Laws 1992,  
6 Chapter 111, Section 9, as amended) is amended to read:

7 "10-12B-9. AMOUNT OF PENSION.--

8 A. For a judge or justice who occupied such an  
9 office prior to July 1, 1980, but who had ceased to hold such  
10 an office prior to that date and who elected to be excluded  
11 from the provisions of the Judicial Retirement Act; or a  
12 judge or justice who occupied such an office on July 1, 1980,  
13 but who elected to be covered under the provisions of the  
14 retirement plan in effect at that time, the amount of monthly  
15 pension is an amount equal to one-twelfth of:

16 seventy-five percent

17 of salary received X number of years of  
18 during last year in service credit, not  
19 office prior to exceeding ten years,  
20 retirement divided by ten.

21 B. For a judge or justice who initially became a  
22 member before July 1, 2005 and who initially occupied such an  
23 office after July 1, 1980; or a judge or justice who occupied  
24 such an office on or before July 1, 1980 and who has elected  
25 to be covered pursuant to the provisions of the Judicial

1 Retirement Act, the amount of monthly pension is an amount  
2 equal to the sum of:

3 (1) for service credit earned on or before  
4 June 30, 2014, an amount equal to one-twelfth of:

5 seventy-five (number of years of  
6 percent of salary service credit not  
7 received during X .05 X exceeding fifteen  
8 last year in office years, plus five  
9 prior to retirement years);

10 (2) for service credit earned on and after  
11 July 1, 2014, but before July 1, 2025, an amount equal to  
12 one-sixtieth of the greatest aggregate amount of salary  
13 received for sixty consecutive, but not necessarily  
14 continuous, months in office multiplied by the product of  
15 three and one-half percent times the number of years of  
16 service credit;

17 (3) for service credit earned on and after  
18 July 1, 2025, an amount equal to one-sixtieth of the greatest  
19 aggregate amount of salary received for sixty consecutive,  
20 but not necessarily continuous, months in office multiplied  
21 by the product of four percent times the number of years of  
22 service credit, up to ten years, or one hundred twenty  
23 months, of accumulated service credit; and

24 (4) for service credit earned after ten  
25 years, or one hundred twenty months, of service credit earned

1 pursuant to this section, an amount equal to one-sixtieth of  
2 the greatest aggregate amount of salary received for sixty  
3 consecutive, but not necessarily continuous, months in office  
4 multiplied by the product of three and one-half percent times  
5 the number of years of service credit.

6 C. For a judge or justice who initially became a  
7 member after June 30, 2005 but on or before June 30, 2014,  
8 the amount of monthly pension is an amount equal to the sum  
9 of:

10 (1) for service credit earned on or before  
11 June 30, 2014, an amount equal to one-twelfth of the salary  
12 received during the last year in office prior to retirement  
13 multiplied by the product of three and seventy-five  
14 hundredths percent times the sum of the number of years of  
15 service credit;

16 (2) for service credit earned on and after  
17 July 1, 2014, but before July 1, 2025, an amount equal to  
18 one-sixtieth of the greatest aggregate amount of salary  
19 received for sixty consecutive, but not necessarily  
20 continuous, months in office multiplied by the product of  
21 three and one-half percent times the number of years of  
22 service credit;

23 (3) for service credit earned on and after  
24 July 1, 2025, an amount equal to one-sixtieth of the greatest  
25 aggregate amount of salary received for sixty consecutive,



1 but not necessarily continuous, months in office multiplied  
2 by the product of four percent times the number of years of  
3 service credit up to ten years, or one hundred twenty months,  
4 of accumulated service credit; and

5 (4) for service credit earned after ten  
6 years, or one hundred twenty months, of service credit earned  
7 pursuant to this section, an amount equal to one-sixtieth of  
8 the greatest aggregate amount of salary received for sixty  
9 consecutive, but not necessarily continuous, months in office  
10 multiplied by the product of three and one-half percent times  
11 the number of years of service credit.

12 D. For a judge or justice who initially became a  
13 member on or after July 1, 2014, but on or before June 30,  
14 2025, the amount of monthly pension is an amount equal to the  
15 sum of:

16 (1) for service credit earned on or before  
17 June 30, 2025, an amount equal to one-sixtieth of the  
18 greatest aggregate amount of salary received for sixty  
19 consecutive, but not necessarily continuous, months in office  
20 multiplied by the product of three and one-fourth percent  
21 times the number of years of service credit;

22 (2) for service credit earned on and after  
23 July 1, 2025, an amount equal to one-sixtieth of the greatest  
24 aggregate amount of salary received for sixty consecutive,  
25 but not necessarily continuous, months in office multiplied

1 by the product of four percent times the number of years of  
2 service credit up to ten years, or one hundred twenty months,  
3 of accumulated service credit; and

4 (3) for service credit earned after ten  
5 years, or one hundred twenty months, of service credit earned  
6 pursuant to this section, an amount equal to one-sixtieth of  
7 the greatest aggregate amount of salary received for sixty  
8 consecutive, but not necessarily continuous, months in office  
9 multiplied by the product of three and one-half percent times  
10 the number of years of service credit.

11 E. For a judge or justice who initially became a  
12 member on or after July 1, 2025, the amount of monthly  
13 pension is an amount equal to the sum of:

14 (1) an amount equal to one-sixtieth of the  
15 greatest aggregate amount of salary received for sixty  
16 consecutive, but not necessarily continuous, months in office  
17 multiplied by the product of four percent times the number of  
18 years of service credit up to ten years, or one hundred  
19 twenty months, of accumulated service credit; and

20 (2) for service credit earned after ten  
21 years, or one hundred twenty months, of service credit earned  
22 pursuant to this section, an amount equal to one-sixtieth of  
23 the greatest aggregate amount of salary received for sixty  
24 consecutive, but not necessarily continuous, months in office  
25 multiplied by the product of three and one-half percent times

1 the number of years of service credit.

2 F. The amount of pension payable for a pension  
3 calculated pursuant to Subsection A, B, C, D or E of this  
4 section shall not exceed one hundred percent of one-sixtieth  
5 of the greatest aggregate amount of salary received for sixty  
6 consecutive, but not necessarily continuous, months prior to  
7 the member leaving office. A pension benefit determined  
8 pursuant to this subsection shall not be less than the  
9 benefit earned as of June 30, 2014."

10 SECTION 4. Section 10-12B-10 NMSA 1978 (being Laws  
11 1992, Chapter 111, Section 10, as amended) is amended to  
12 read:

13 "10-12B-10. MEMBER CONTRIBUTIONS--TAX TREATMENT.--

14 A. On and after July 1, 2014, but before July 1,  
15 2025, members, while in office, shall contribute ten and one-  
16 half percent of salary to the member contribution fund.

17 B. On and after July 1, 2025, members, while in  
18 office, shall contribute fourteen and seventy-four hundredths  
19 percent of salary to the member contribution fund.

20 C. Upon implementation, the state, acting as  
21 employer of members covered pursuant to the provisions of the  
22 Judicial Retirement Act, shall, solely for the purpose of  
23 compliance with Section 414(h) of the Internal Revenue Code  
24 of 1986, pick up, for the purposes specified in that section,  
25 member contributions required by this section for all annual

1 salary earned by the member. Member contributions picked up  
2 pursuant to the provisions of this section shall be treated  
3 as employer contributions for purposes of determining income  
4 tax obligations under the Internal Revenue Code of 1986;  
5 however, such picked-up member contributions shall be  
6 included in the determination of the member's gross annual  
7 salary for all other purposes under federal and state laws.  
8 Member contributions picked up pursuant to the provisions of  
9 this section shall continue to be designated member  
10 contributions for all purposes of the Judicial Retirement Act  
11 and shall be considered as part of the member's annual salary  
12 for purposes of determining the amount of the member's  
13 contribution. The provisions of this section are mandatory,  
14 and the member shall have no option concerning the pickup or  
15 concerning the receipt of the contributed amounts directly  
16 instead of having the amounts paid by the employer to the  
17 retirement system. Implementation occurs upon authorization  
18 by the board. In no event may implementation occur other  
19 than at the beginning of a pay period applicable to the  
20 member."

21 SECTION 5. Section 10-12B-11 NMSA 1978 (being Laws  
22 1992, Chapter 111, Section 11, as amended) is amended to  
23 read:

24 "10-12B-11. EMPLOYER CONTRIBUTIONS.--

25 A. On and after July 1, 2025, the member's court

1 shall contribute nineteen and twenty-four hundredths percent  
2 of salary to the fund for each member in office.

3 B. Thirty-eight dollars (\$38.00) from each civil  
4 case docket fee paid in the district court, twenty-five  
5 dollars (\$25.00) from each civil docket fee paid in  
6 metropolitan court and ten dollars (\$10.00) from each jury  
7 fee paid in metropolitan court shall be paid by the court  
8 clerk to the employer's accumulation fund."

9 SECTION 6. APPLICABILITY.--The provisions of Subsection  
10 F of Section 3 of this act apply to credited service  
11 performed after the effective date of this act. Any credited  
12 service performed or amount of pension earned prior to the  
13 effective date of this act shall not be calculated or  
14 adjusted to conform to the provisions of this act.

15 SECTION 7. EFFECTIVE DATE.--The effective date of the  
16 provisions of this act is July 1, 2025. \_\_\_\_\_

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