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SENATE BILL 243

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

BEN D. ALTAMIRANO

FOR THE LEGISLATIVE FINANCE COMMITTEE

AN ACT

RELATING TO PUBLIC EMPLOYEES' RETIREMENT; AMENDING SECTION
10-11-130 NMSA 1978 (BEING LAWS 1987, CHAPTER 253, SECTION 130,
AS AMENDED) TO CHANGE PROVISIONS FOR BOARD MEMBERSHIP.

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

Section 1. Section 10-11-130 NMSA 1978 (being Laws 1987,
Chapter 253, Section 130, as amended) is amended to read:

"10-11-130. RETIREMENT BOARD--AUTHORITY--MEMBERSHIP.--

A. The "retirement board" is hereby created and shall be the trustee of the association and the funds created by the state retirement system acts and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of the state retirement system acts, including, in addition to any specific powers provided for in the Public Employees Retirement Act but without limiting the generality of

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1 the foregoing, the power:

2 (1) to administer the state retirement system
3 acts, including the management of the association and making
4 effective the provisions of those acts, as well as to administer
5 and manage any other employee benefit acts as provided by law;

6 (2) in addition to utilizing services of the
7 attorney general, to employ competent legal counsel to handle
8 the legal matters of the retirement board and the association
9 and to give advice and counsel in regard to any matter connected
10 with the duties of the retirement board;

11 (3) to administer oaths;

12 (4) to adopt and use a seal for authentication
13 of records, processes and proceedings;

14 (5) to create and maintain records relating to
15 all members, affiliated public employers and all activities and
16 duties required of the retirement board;

17 (6) to issue subpoenas and compel the
18 production of evidence and attendance of witnesses in connection
19 with any hearings or proceedings of the retirement board;

20 (7) to make and execute contracts;

21 (8) to purchase, acquire or hold land adjacent
22 to the state capitol grounds or other suitable location and
23 build thereon a building to house the association and its
24 employees and, in the event additional office space is available
25 in the building after the retirement board and its employees

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1 have been housed, to rent or lease the additional space to any
2 public agency or private person; provided that first priority
3 for the rental or leasing shall be to public agencies; and
4 further provided that for the purpose of purchasing, acquiring
5 or holding the land and the building thereon, the retirement
6 board may use funds from the income fund and any other funds
7 controlled by the retirement board the use of which for such
8 purposes is not prohibited by law;

9 (9) to make and adopt such reasonable rules and
10 regulations as may be necessary or convenient to carry out the
11 duties of the retirement board and activities of the
12 association, including any rules and regulations necessary to
13 preserve the status of the association as a qualified pension
14 plan under the provisions of the Internal Revenue Code of 1986,
15 as amended or under successor or related provisions of law; and

16 (10) to designate committees and to designate
17 committee members, including individuals who may not be members
18 of the association.

19 B. The retirement board shall consist of:

20 (1) the secretary of state;

21 (2) the state treasurer;

22 (3) [~~four~~] three members under a state coverage
23 plan to be elected by the members under state coverage plans;

24 (4) [~~four~~] three members under a municipal
25 coverage plan to be elected by the members under municipal

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1 coverage plans; provided one member shall be a municipal member
2 employed by a county; ~~[and]~~

3 (5) two retired members to be elected by the
4 retired members of the association; and

5 (6) two members each with at least five years'
6 experience in investment or financial management to be appointed
7 by the governor.

8 C. The elections of elected members of the
9 retirement board shall be held at the time of the annual meeting
10 of the association and shall be conducted according to rules and
11 regulations the retirement board shall from time to time adopt.

12 D. The regular term of office of the elected and
13 appointed members of the retirement board shall be four years.

14 ~~[The term of one retirement board member under a state coverage~~
15 ~~plan shall expire annually on December 31.]~~ The terms of

16 retirement board members under a state coverage plan shall
17 expire on December 31 of noncoinciding years in the pattern set

18 by the retirement board, except for the vacancy created by the
19 term expiring on December 31, 1997, which shall not be filled.

20 The terms of retirement board members under a municipal coverage
21 plan shall expire on December 31 of noncoinciding years in the

22 pattern set by the retirement board, except for the vacancy
23 created by the term expiring on December 31, 1997, which shall

24 not be filled. Members of the retirement board shall serve
25 until their successors have qualified. In the initial

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1 appointment of the two appointed members, one member shall be
2 appointed for a term of two years beginning January 1, 1998, and
3 the other member shall be appointed for a term of one year
4 beginning January 1, 1998.

5 E. A member elected or appointed to the retirement
6 board who fails to attend four consecutively scheduled meetings
7 of the retirement board, unless in each case excused for cause
8 by the retirement board members in attendance, shall be
9 considered to have resigned from the retirement board, and the
10 retirement board shall by resolution declare the office vacated
11 as of the date of adoption of the resolution. A vacancy
12 occurring on the retirement board, except in the case of an
13 [~~elected official~~] ex-officio member or an appointed member,
14 shall be filled by the remaining retirement board members,
15 without requirement that a quorum be present, until the next
16 election of the association, at which time a successor shall be
17 elected for the remainder of the vacated term.

18 F. Members of the retirement board shall serve
19 without additional salary for their services as retirement board
20 members, but they shall receive as their sole remuneration for
21 services as members of the retirement board those amounts
22 authorized under the Per Diem and Mileage Act.

23 G. The retirement board shall hold four regular
24 meetings each year and shall designate in advance the time and
25 place of the meetings. Special meetings and emergency meetings

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1 of the retirement board may be held upon call of the chairman or
2 any three members of the retirement board. Written notice of
3 special meetings shall be sent to each member of the retirement
4 board at least seventy-two hours in advance of the special
5 meeting. Verbal notice of emergency meetings shall be given to
6 as many members as is feasible at least eight hours before the
7 emergency meeting, and the meeting shall commence with a
8 statement of the nature of the emergency. The retirement board
9 shall adopt its own rules of procedure and shall keep a record
10 of its proceedings. All meetings of the retirement board shall
11 comply with the Open Meetings Act. A majority of retirement
12 board members shall constitute a quorum. Each attending member
13 of the retirement board is entitled to one vote on each question
14 before the retirement board, and at least a majority of a quorum
15 shall be necessary for a decision by the retirement board.

16 H. Annual meetings of the members of the association
17 shall be held in Santa Fe at such time and place as the
18 retirement board shall from time to time determine. Special
19 meetings of the members of the association shall be held in
20 Santa Fe upon call of any seven retirement board members. The
21 retirement board shall send a written notice to the last known
22 residence address of each member currently employed by an
23 affiliated public employer at least ten days prior to any
24 meeting of the members of the association. The notice shall
25 contain the call of the meeting and the principal purpose of the

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1 meeting. All meetings of the association shall be public and
2 shall be conducted according to procedures the retirement board
3 shall from time to time adopt. The retirement board shall keep
4 a record of the proceedings of each meeting of the association."