

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

HOUSE JOINT MEMORIAL 72

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

INTRODUCED BY

BEN LUJAN

A JOINT MEMORIAL

REQUESTING THAT THE PUBLIC EMPLOYEES RETIREMENT ASSOCIATION SEEK WRITTEN TAX ADVICE FROM THE FEDERAL INTERNAL REVENUE SERVICE REGARDING ALLOWING CERTAIN MEMBERS TO PURCHASE SERVICE CREDIT FOR PRIOR SERVICE AS GUARDS OR COURIERS WITH THE UNITED STATES DEPARTMENT OF ENERGY.

WHEREAS, House Bill 945, introduced in this legislative session, proposes to amend the Public Employees Retirement Act to allow certain members who are employees of Los Alamos county to purchase service credit pursuant to the Public Employees Retirement Act for prior service as a guard or courier with the United States department of energy; and

WHEREAS, members of the public employees retirement association who were firefighters when the United States department of energy firefighting function was taken over by Los

Underscored material = new  
[bracketed material] = delete

Underscored material = new  
[bracketed material] = delete

1 Alamos county, an affiliated public employer under the Public  
2 Employees Retirement Act, were authorized pursuant to a law  
3 enacted in 1993 to purchase service credit for the period of  
4 their service in that department of energy firefighting unit;  
5 and

6 WHEREAS, when the firefighting function was transferred to  
7 Los Alamos county, certain persons who were employed as guards  
8 or couriers for the United States department of energy lost  
9 their federal employment and were employed as firefighters by  
10 Los Alamos county; and

11 WHEREAS, those persons now seek to purchase service credit  
12 under the Public Employees Retirement Act for their service as  
13 guards or couriers with the United States department of energy;  
14 and

15 WHEREAS, the public employees retirement association has  
16 raised the concern that the qualified status of the Public  
17 Employees Retirement Act as a governmental plan may be in  
18 jeopardy if service credit is granted to members for service  
19 with a federal employer that is not service under the state's  
20 governmental plan; and

21 WHEREAS, if a plan fails to meet the qualification  
22 requirements, the tax advantages to the plan and its members  
23 could be lost during the period the qualification requirements  
24 are not met;

25 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE

Underscored material = new  
[bracketed material] = delete

1 STATE OF NEW MEXICO that the public employees retirement  
2 association be requested to seek written tax advice from the  
3 internal revenue service regarding the effect on the  
4 association's tax status of allowing the purchase of service  
5 credit by members for the period they were employed as guards or  
6 couriers by the United States department of energy immediately  
7 prior to their employment as firefighters for Los Alamos county;  
8 and

9 BE IT FURTHER RESOLVED that copies of this memorial be  
10 transmitted to the public employees retirement association and  
11 to the retirement board.

12 - 3 -  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25