

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

SENATE BILL 468

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Shirley M. Bailey

AN ACT

RELATING TO PUBLIC SCHOOL EMPLOYEES; PROVIDING FOR PAYMENT OF SICK LEAVE AT RETIREMENT.

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

Section 1. Section 22-11-34 NMSA 1978 (being Laws 1967, Chapter 16, Section 157, as amended) is amended to read:

"22-11-34. ALLOWED SERVICE CREDIT. --

A. A member shall be certified to have acquired allowed service credit pursuant to the Internal Revenue Code of 1986 for those periods of time when he was:

(1) employed prior to [~~the effective date of the Educational Retirement Act~~] July 1, 1967 in a federal educational program within New Mexico, including United States Indian schools and civilian conservation corps camps. This service credit shall be allowed without contribution;

underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 (2) engaged in military service that
2 interrupted his employment in New Mexico if he returned to his
3 employment within eighteen months following honorable
4 discharge. This service credit shall be allowed without
5 contribution;

6 (3) engaged in United States military service
7 or the commissioned corps of the public health service from
8 which he was honorably discharged if he contributes to the
9 fund a sum equal to ten and one-half percent of his average
10 annual salary for that period of time for which he has
11 acquired earned service credit pursuant to the Educational
12 Retirement Act and subject to the federal Uniformed Services
13 Employment and Reemployment Rights Act of 1994 for each year
14 of service credit he desires to purchase. Average annual
15 salary shall be determined in accordance with rules
16 promulgated by the board but shall always be based on actual
17 salaries earned by the member where the actual salaries can be
18 ascertained by the board. The employer's contributions for
19 service credit shall not be paid by the employer. The
20 purchase of service credit provided in this section shall be
21 carried out by the member within three years after the date of
22 the member's employment following service; [or]

23 (4) employed:
24 (a) in a public school or public
25 institution of higher learning in another state, territory or

underscored material = new
[bracketed material] = delete

1 possession of the United States;

2 (b) in a United States military
3 dependents' school operated by a branch of the armed forces of
4 the United States;

5 (c) as provided in Paragraph (1) of
6 this subsection after ~~[the effective date of the Educational~~
7 ~~Retirement Act]~~ July 1, 1967; or

8 (d) in a private school or institution
9 of higher learning in New Mexico whose education program is
10 accredited or approved by the state board at the time of
11 employment; or

12 (5) employed prior to retirement and had
13 accumulated sick leave. The member shall be entitled to
14 purchase service credit at one-half the rate at which the sick
15 leave was accrued. Average annual salary shall be determined
16 in accordance with rules promulgated by the board but shall
17 always be based upon actual salaries earned by the member
18 where the actual salaries can be ascertained by the board.
19 The employer's contributions for service credit shall not be
20 paid by the employer.

21 B. The member or employer under Paragraph (4) of
22 Subsection A of this section shall contribute to the fund for
23 each year of allowed service credit desired an amount equal to
24 twelve percent of the member's annual salary at the time
25 payment is made if the member is employed or twelve percent

. 134500. 1

underscored material = new
[bracketed material] = delete

1 times the member's annual salary during the member's last year
2 of employment if the member is not employed at the time of
3 payment. Contributions paid for the member who is not
4 employed shall bear interest at the average rate earned by the
5 fund during the five-fiscal-year period immediately preceding
6 the date of payment. Such interest shall run from the date
7 the member last terminated employment to the date of payment.
8 Effective July 1, 2001, the member or employer under Paragraph
9 (4) of Subsection A of this section shall contribute to the
10 fund for each year of allowed service credit desired an amount
11 equal to the actuarial value of the service purchased as
12 defined by the board. Payment pursuant to Paragraph (4) of
13 Subsection A of this section may be made in installments, at
14 the discretion of the board, over a period not to exceed one
15 year and, if the sum paid does not equal the amount required
16 for any full year of allowed service credit, the member shall
17 acquire allowed service credit for that period of time that is
18 proportionate to the payment made. Half credit may be allowed
19 without contribution for not more than ten years of the
20 educational service described by Subparagraph (a) of Paragraph
21 (4) of Subsection A of this section if that service was prior
22 to June 13, 1953 and if the member was employed in New Mexico
23 prior to June 13, 1953 in a position covered by the
24 Educational Retirement Act or a law repealed thereby.

25 C. No member shall be certified to have acquired

. 134500. 1

underscored material = new
[bracketed material] = delete

1 allowed service credit:

2 (1) under any single paragraph or the
3 combination of only Paragraphs (1) and (4) or only Paragraphs
4 (2) and (3) of Subsection A of this section in excess of five
5 years; or

6 (2) in excess of ten years for any other
7 combination of Paragraphs (1) through [~~(4)~~] (5) of Subsection
8 A of this section.

9 D. The provisions of this section are made
10 applicable to the services described prior to as well as after
11 [~~the effective date of the Educational Retirement Act~~] July 1,
12 1967. "