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SENATE BILL 304

**51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014**

INTRODUCED BY

Stuart Ingle and Luciano "Lucky" Varela

AN ACT

RELATING TO PENSION FUNDS; PROVIDING THAT, CONTINGENT UPON THE ENACTMENT OF JUDICIAL OR MAGISTRATE PENSION FUND SOLVENCY REFORMS, A PORTION OF THE MONTHLY DISTRIBUTION FOR THE LEGISLATIVE RETIREMENT FUND, IF THE DISTRIBUTION AMOUNT DOES NOT EXCEED TWO HUNDRED THOUSAND DOLLARS (\$200,000), SHALL BE DISTRIBUTED TO THE MAGISTRATE RETIREMENT FUND AND THE JUDICIAL RETIREMENT FUND IN THE AMOUNTS OF EIGHTY THOUSAND DOLLARS (\$80,000) TO THE MAGISTRATE RETIREMENT FUND AND TWENTY THOUSAND DOLLARS (\$20,000) TO THE JUDICIAL RETIREMENT FUND MONTHLY FOR THIRTY-SIX CONSECUTIVE MONTHS; MAKING AN APPROPRIATION.

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

**SECTION 1.** Section 7-1-6.43 NMSA 1978 (being Laws 2003, Chapter 86, Section 1) is amended to read:

"7-1-6.43. DISTRIBUTION TO LEGISLATIVE RETIREMENT FUND.--

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1           A. Except as otherwise provided by law, a  
2 distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be  
3 made to the legislative retirement fund in an amount equal to  
4 two hundred thousand dollars (\$200,000) or, if larger,  
5 one-twelfth of the amount necessary to pay out the retirement  
6 benefits due under state legislator member coverage plan 2 and  
7 Paragraph (2) of Subsection C of Section [~~10-11-42~~] 10-11-41  
8 NMSA 1978 for the calendar year.

9           B. In December 2003 and in each December  
10 thereafter, the public employees retirement association, with  
11 the assistance of the legislative council service, shall  
12 determine the amount of those retirement benefits for the  
13 succeeding calendar year. If the monthly average exceeds two  
14 hundred thousand dollars (\$200,000), the association shall  
15 notify immediately the department of the average amount. That  
16 average amount shall be the amount distributed pursuant to  
17 Subsection A of this section as of the end of each month of the  
18 twelve consecutive months beginning with the December in which  
19 the determination was made."

20           SECTION 2. A new section of the Tax Administration Act,  
21 Section 7-1-6.61 NMSA 1978, is enacted to read:

22           "7-1-6.61. [NEW MATERIAL] TEMPORARY DISTRIBUTION TO  
23 MAGISTRATE RETIREMENT FUND.--Beginning July 1, 2014 and  
24 continuing for thirty-six consecutive but not necessarily  
25 continuous months, if the distribution amount determined

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1 pursuant to Section 7-1-6.43 NMSA 1978 is not greater than two  
2 hundred thousand dollars (\$200,000), then eighty thousand  
3 dollars (\$80,000) of the determined distribution amount shall  
4 instead be distributed to the magistrate retirement fund."

5 SECTION 3. A new section of the Tax Administration Act,  
6 Section 7-1-6.62 NMSA 1978, is enacted to read:

7 "7-1-6.62. [NEW MATERIAL] TEMPORARY DISTRIBUTION TO  
8 JUDICIAL RETIREMENT FUND.--Beginning July 1, 2014 and  
9 continuing for thirty-six consecutive but not necessarily  
10 continuous months, if the distribution amount determined  
11 pursuant to Section 7-1-6.43 NMSA 1978 is not greater than two  
12 hundred thousand dollars (\$200,000), then twenty thousand  
13 dollars (\$20,000) of the determined distribution amount shall  
14 be distributed to the judicial retirement fund."

15 SECTION 4. EFFECTIVE DATE--CONTINGENCY.--

16 A. The effective date of the provisions of Section  
17 1 of this act is July 1, 2014.

18 B. The effective date of the provisions of Section  
19 2 of this act is July 1, 2014, contingent upon the enactment  
20 into law of House Bill 216 or a similar magistrate retirement  
21 fund solvency bill of the second session of the fifty-first  
22 legislature. If no such bill is enacted into law, the  
23 provisions of Section 2 of this act shall not become effective.

24 C. The effective date of the provisions of Section  
25 3 of this act is July 1, 2014, contingent upon the enactment

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1 into law of House Bill 33 or a similar judicial retirement fund  
2 solvency bill of the second session of the fifty-first  
3 legislature. If no such bill is enacted into law, Section 3 of  
4 this act shall not become effective.