

SENATE BILL 122

54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020

INTRODUCED BY

Jacob R. Candelaria

This document incorporates amendments that have been adopted during the current legislative session. The document is a tool to show the amendments in context and is not to be used for the purpose of amendments.

ENDORSED BY THE INVESTMENTS AND PENSIONS OVERSIGHT COMMITTEE

AN ACT

RELATING TO JUDICIAL RETIREMENT; PROVIDING FOR A DISTRIBUTION PURSUANT TO THE OIL AND GAS PROCEEDS AND PASS-THROUGH ENTITY WITHHOLDING TAX ACT TO THE JUDICIAL RETIREMENT FUND AND TO THE MAGISTRATE RETIREMENT FUND; DELAYING FURTHER DISTRIBUTIONS TO THE LEGISLATIVE RETIREMENT FUND UNTIL FISCAL YEAR 2026.

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, as amended) is amended to read:

"7-1-6.43. DISTRIBUTION--OIL AND GAS PROCEEDS AND PASS-

.216015.1SAAIC February 10, 2020 (11:10am)

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THROUGH ENTITY WITHHOLDING TAX--MAGISTRATE RETIREMENT FUND--
JUDICIAL RETIREMENT FUND--LEGISLATIVE RETIREMENT FUND.--

A. [~~Beginning on July 1, 2019~~] A distribution pursuant to Section 7-1-6.1 NMSA 1978 from the net receipts attributable to the amount of tax deducted pursuant to the Oil and Gas Proceeds and Pass-Through Entity Withholding Tax Act shall be made as follows:

SPAC → ~~(1) prior to July 1, 2025:~~ ← SPAC

SPAC → ~~(a)~~ ← SPAC SPAC → ~~(1)~~ ← SPAC to the magistrate retirement fund in the amount of one hundred thousand dollars (\$100,000); SPAC → ~~and~~ ← SPAC

SPAC → ~~(b)~~ ← SPAC SPAC → ~~(2)~~ ← SPAC to the judicial retirement fund in the amount of one hundred thousand dollars (\$100,000); and

SPAC → ~~(2)~~ ← SPAC SPAC → ~~(3)~~ ← SPAC on and after July 1, 2025, to the legislative retirement fund in the amount of seventy-five thousand dollars (\$75,000) or, if larger, in an amount equal to one-twelfth of the amount necessary to pay out the retirement benefits due under state legislator member coverage plan 2 and Paragraph (2) of Subsection C of Section 10-11-41 NMSA 1978 for the succeeding calendar year.

SFC → ~~SPAC → B. In regard to the distributions to the magistrate retirement fund and the judicial retirement fund, in December 2024 and in each December thereafter, the public employees retirement association, with the assistance of the~~

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~~administrative office of the courts, shall determine the funding status of each fund as of the end of the preceding fiscal year. If the funded ratio of the magistrate retirement fund for a proceeding fiscal year is equal to or greater than one hundred percent, no further distributions pursuant to Paragraph (1) of Subsection A of this section shall be made. If the funded ratio of the judicial retirement fund for the proceeding fiscal year is equal to or greater than one hundred percent, no further distributions pursuant to Paragraph (2) of Subsection A of this section shall be made.~~ ←SPAC←SFC

SFC→B. In regard to the distributions to the magistrate retirement fund and the judicial retirement fund, in December 2024 and in each December thereafter, the public employees retirement association, with the assistance of the administrative office of the courts, shall determine the funded ratio of each fund as of the end of the preceding fiscal year. If the funded ratio of the magistrate retirement fund for the preceding fiscal year is equal to or greater than one hundred percent, the association shall notify the department, and no further distributions pursuant to Paragraph (1) of Subsection A of this section shall be made. If the funded ratio of the judicial retirement fund for the preceding fiscal year is equal to or greater than one hundred percent, the association shall notify the department, and no further distributions pursuant to Paragraph (2) of Subsection A of this section shall be made. ←SFC

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SPAC → ~~B.~~ ← SPAC SFC → ~~SPAC~~ → ~~C.~~ ← ~~SPAC~~ ← SFC

SFC → ~~SFC~~ → ~~B.~~ ← ~~SFC~~ ← SFC SFC → ~~C.~~ ← SFC In regard to the distribution to the legislative retirement fund, in December [2003] 2024 and in each December thereafter, [~~except in 2017~~] the public employees retirement association, with the assistance of the legislative council service, shall determine the amount of retirement benefits for the succeeding calendar year. If the monthly average exceeds seventy-five thousand dollars (\$75,000), the association shall immediately notify the department of the average amount."

SECTION 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2020.