

SENATE HEALTH AND PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR
SENATE BILL 87

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

AN ACT

RELATING TO PUBLIC EMPLOYEES RETIREMENT; AMENDING THE PUBLIC
EMPLOYEES RETIREMENT ACT TO ALLOW CERTAIN PUBLIC SAFETY
EMPLOYEES TO RETURN TO WORK UNDER CERTAIN CONDITIONS.

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

SECTION 1. Section 10-11-8 NMSA 1978 (being Laws 1987,
Chapter 253, Section 8, as amended) is amended to read:

"10-11-8. NORMAL RETIREMENT--RETURN TO EMPLOYMENT--
BENEFITS CONTINUED--CONTRIBUTIONS.--

A. A member may retire upon fulfilling the
following requirements prior to the selected date of
retirement:

(1) a written application for normal
retirement, in the form prescribed by the association, is filed
with the association;

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1 (2) employment is terminated with all
2 employers covered by any state system or the educational
3 retirement system;

4 (3) the member selects an effective date of
5 retirement that is the first day of a calendar month; and

6 (4) the member meets the age and service
7 credit requirement for normal retirement specified in the
8 coverage plan applicable to the member.

9 B. The amount of normal retirement pension is
10 determined in accordance with the coverage plan applicable to
11 the member.

12 C. Except as provided in [~~Subsection~~] Subsections
13 D, J and K of this section, on or after July 1, 2010, a retired
14 member may be subsequently employed by an affiliated public
15 employer only pursuant to the following provisions:

16 (1) the retired member has not been employed
17 as an employee of an affiliated public employer or retained as
18 an independent contractor by the affiliated public employer
19 from which the retired member retired for at least twelve
20 consecutive months from the date of retirement to the
21 commencement of subsequent employment or reemployment with an
22 affiliated public employer;

23 (2) the retired member's pension shall be
24 suspended upon commencement of the subsequent employment;

25 (3) except as provided in Subsection F of this

1 section, the retired member shall not become a member and shall
 2 not accrue service credit, and the retired member and that
 3 person's subsequent affiliated public employer shall not make
 4 contributions under any coverage plan pursuant to the Public
 5 Employees Retirement Act; and

6 (4) upon termination of the subsequent
 7 employment, the retired member's pension shall resume in
 8 accordance with the provisions of Subsection A of this section.

9 D. The provisions of Subsections C, G, ~~[and]~~ H, J
 10 and K of this section do not apply to:

11 (1) a retired member employed by the
 12 legislature for legislative session work;

13 (2) a retired member employed temporarily as a
 14 precinct board member for a municipal election or an election
 15 covered by the Election Code; or

16 (3) a retired member who is elected to serve a
 17 term as an elected official in an office covered pursuant to
 18 the Public Employees Retirement Act; provided that:

19 (a) the retired member files an
 20 irrevocable exemption from membership with the association
 21 within thirty days of taking office; and

22 (b) the irrevocable exemption shall be
 23 for the elected official's term of office.

24 E. A retired member who returns to employment
 25 during retirement pursuant to Subsection D of this section is

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1 entitled to receive retirement benefits but is not entitled to
2 accrue service credit or to acquire or purchase service credit
3 in the future for the period of the retired member's subsequent
4 employment with an affiliated public employer.

5 F. At any time during a retired member's subsequent
6 employment pursuant to Subsection C of this section, the
7 retired member may elect to become a member and the following
8 conditions shall apply:

9 (1) the previously retired member and the
10 subsequent affiliated public employer shall make the required
11 employee and employer contributions, and the previously retired
12 member shall accrue service credit for the period of subsequent
13 employment; and

14 (2) when the previously retired member
15 terminates the subsequent employment with an affiliated public
16 employer, the previously retired member shall retire according
17 to the provisions of the Public Employees Retirement Act,
18 subject to the following conditions:

19 (a) payment of the pension shall resume
20 in accordance with the provisions of Subsection A of this
21 section;

22 (b) unless the previously retired member
23 accrued at least three years of service credit on account of
24 the subsequent employment, the recalculation of pension shall:

25 1) employ the form of payment selected by the previously

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1 retired member at the time of the first retirement; and 2) use
 2 the provisions of the coverage plan applicable to the member on
 3 the date of the first retirement; and

4 (c) the recalculated pension shall not
 5 be less than the amount of the suspended pension.

6 G. A retired member who returned to work with an
 7 affiliated public employer prior to July 1, 2010 shall be
 8 subject to the provisions of this section in effect on the date
 9 the retired member returned to work; provided that on and after
 10 July 1, 2010, the retired member shall pay the employee
 11 contribution in an amount specified in the Public Employees
 12 Retirement Act for the position in which the retired member is
 13 subsequently employed.

14 H. Effective July 1, 2014, if a retired member who,
 15 subsequent to retirement, is employed and covered pursuant to
 16 the provisions of the Magistrate Retirement Act or Judicial
 17 Retirement Act, during the period of subsequent employment:

18 (1) the member shall be entitled to receive
 19 retirement benefits;

20 (2) the retired member's cost-of-living
 21 pension adjustment shall be suspended upon commencement of the
 22 employment; and

23 (3) upon termination of the employment, the
 24 retired member's suspended cost-of-living pension adjustment
 25 shall be reinstated as provided under Section 10-11-118 NMSA

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1 1978.

2 I. The pension of a member who has earned service
3 credit under more than one coverage plan shall be determined as
4 follows:

5 (1) the pension of a member who has three or
6 more years of service credit earned on or before June 30, 2013
7 under each of two or more coverage plans shall be determined in
8 accordance with the coverage plan that produces the highest
9 pension;

10 (2) the pension of a member who has service
11 credit earned on or before June 30, 2013 under two or more
12 coverage plans but who has three or more years of service
13 credit under only one of those coverage plans shall be
14 determined in accordance with the coverage plan in which the
15 member has three or more years of service credit. If the
16 service credit is acquired under two different coverage plans
17 applied to the same affiliated public employer as a consequence
18 of an election by the members, adoption by the affiliated
19 public employer or a change in the law that results in the
20 application of a coverage plan with a greater pension, the
21 greater pension shall be paid a member retiring from the
22 affiliated public employer under which the change in coverage
23 plan took place regardless of the amount of service credit
24 under the coverage plan producing the greater pension; provided
25 that the member has three or more years of continuous

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1 employment with that affiliated public employer immediately
 2 preceding or immediately preceding and immediately following
 3 the date the coverage plan changed;

4 (3) the pension of a member who has service
 5 credit earned on or before June 30, 2013 under each of two or
 6 more coverage plans and who has service credit earned under any
 7 coverage plan on or after July 1, 2013 shall be equal to the
 8 sum of:

9 (a) the pension attributable to the
 10 service credit earned on or before June 30, 2013 determined
 11 pursuant to Paragraph (1) or (2) of this subsection; and

12 (b) the pension attributable to the
 13 service credit earned under each coverage plan on or after July
 14 1, 2013;

15 (4) the pension of a member who has service
 16 credit earned only on and after July 1, 2013 shall be equal to
 17 the sum of the pension attributable to the service credit the
 18 member has accrued under each coverage plan; and

19 (5) the provisions of each coverage plan for
 20 the purpose of this subsection shall be those in effect at the
 21 time the member ceased to be covered by the coverage plan.

22 "Service credit", for the purposes of this subsection, shall be
 23 only personal service rendered an affiliated public employer
 24 and credited to the member under the provisions of Subsection A
 25 of Section 10-11-4 NMSA 1978. Service credited under any other

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1 provision of the Public Employees Retirement Act shall not be
2 used to satisfy the three-year service credit requirement of
3 this subsection.

4 J. A retired member may be subsequently employed by
5 an affiliated public employer; provided that the retired member
6 has not been employed as an employee of an affiliated public
7 employer or retained as an independent contractor by the
8 affiliated public employer from which the retired member
9 retired for at least ninety consecutive days from the date of
10 retirement to the commencement of subsequent employment or
11 reemployment with an affiliated public employer; and further
12 provided that the:

13 (1) retired member shall only be employed in
14 one of the following positions:

- 15 (a) adult correctional officer;
- 16 (b) adult detention officer;
- 17 (c) courthouse security officer;
- 18 (d) emergency medical dispatcher;
- 19 (e) emergency medical technician;
- 20 (f) firefighter;
- 21 (g) juvenile correctional officer;
- 22 (h) juvenile detention officer;
- 23 (i) municipal police officer;
- 24 (j) public safety telecommunicator;
- 25 (k) sheriff's deputy; or

- 1 (1) state police officer;
- 2 (2) retired member shall have retired prior to
- 3 December 31, 2023;
- 4 (3) retired member's pension, including any
- 5 cost-of-living adjustment, shall continue to be paid during the
- 6 period of subsequent employment;
- 7 (4) retired member shall not become a member
- 8 during the period of subsequent employment;
- 9 (5) retired member shall not accrue service
- 10 credit for any portion of the period of subsequent employment;
- 11 (6) retired member and the retired member's
- 12 subsequent affiliated public employer shall make the
- 13 contributions that would be required for members and employers
- 14 under the applicable coverage plan during the entire period of
- 15 subsequent employment;
- 16 (7) contributions paid by or on behalf of the
- 17 retired member during the term of subsequent employment shall
- 18 not be refundable at the termination of the subsequent
- 19 employment;
- 20 (8) retired member shall have no seniority
- 21 based on pre-retirement employment for purposes of selecting
- 22 shifts;
- 23 (9) retired member shall have no limitation on
- 24 the length of time that the retired member can be subsequently
- 25 employed or reemployed by an affiliated public employer;

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1 provided that the retired member shall only receive up to
2 thirty-six consecutive months of pension payments while
3 reemployed;

4 (10) retired member shall not be hired for
5 reemployment into an employment position with a vacancy rate
6 that is lower than ten percent at the time of the retired
7 member's hiring; and

8 (11) subsequent employment begins prior to
9 July 1, 2027.

10 K. An affiliated public employer that employs a
11 retired member provided in Subsection J of this section shall:

12 (1) track and document:

13 (a) the date of hire and date of
14 separation for each reemployed retired member;

15 (b) the retired member's employment
16 position prior to retirement;

17 (c) the salary of each reemployed
18 retired member; and

19 (d) the monthly vacancy rate for each
20 employment position at the affiliated public employer; and

21 (2) if the affiliated public employer has to
22 lay off employees due to budgetary restrictions, lay off
23 reemployed retired members before laying off any members.

24 L. For the purposes of this section:

25 (1) "adult correctional officer" means a

1 person who is employed as an adult correctional officer or an
 2 adult correctional officer specialist by a state correctional
 3 facility of the corrections department or its successor agency;

4 (2) "adult detention officer" means a person
 5 who is employed by an affiliated public employer other than the
 6 state and who has inmate custodial responsibilities at a
 7 facility used for the confinement of adults charged with or
 8 convicted of a violation of a law or ordinance;

9 (3) "courthouse security officer" means a
 10 person who is employed by the administrative office of the
 11 courts who provides security or protective services for a
 12 courthouse;

13 (4) "emergency medical dispatcher" means a
 14 person who is trained and licensed pursuant to the Emergency
 15 Medical Services Act and who receives calls for emergency
 16 medical assistance, provides pre-arrival medical instructions,
 17 dispatches emergency medical assistance and coordinates its
 18 response;

19 (5) "emergency medical technician" means a
 20 person who is licensed as an emergency medical technician and
 21 who provides patient care pursuant to the Emergency Medical
 22 Services Act;

23 (6) "firefighter" means a person who is
 24 employed as a full-time non-volunteer firefighter by an
 25 affiliated public employer and who has taken the oath for

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1 firefighters;

2 (7) "juvenile correctional officer" means a
3 person who is employed as a juvenile correctional officer by
4 the children, youth and families department or its successor
5 agency;

6 (8) "juvenile detention officer" means a
7 person who is employed as a juvenile detention officer or youth
8 program officer by an affiliated public employer other than the
9 state;

10 (9) "municipal police officer" means a person
11 who is employed by an affiliated public employer other than the
12 state or a county and who is a law enforcement officer who
13 serves in a uniformed patrol capacity responding to dispatched
14 calls for service;

15 (10) "public safety telecommunicator" means a
16 person who is an employee of a safety agency who receives calls
17 or dispatches the appropriate personnel or equipment in
18 response to calls for police, fire or medical services and
19 makes decisions affecting the life, health or welfare of the
20 public or safety employees and who has qualified for the
21 certification set forth in the Public Safety Telecommunicator
22 Training Act;

23 (11) "sheriff's deputy" means a person who is
24 employed by a county and who is a law enforcement officer who
25 serves in a uniformed patrol capacity responding to dispatched

1 calls for service; and

2 (12) "state police officer" means a person who
3 is an officer of the New Mexico state police division of the
4 department of public safety, who has taken the oath prescribed
5 for such officers and who serves in a uniformed patrol capacity
6 responding to dispatched calls for service."

7 **SECTION 2. EFFECTIVE DATE.**--The effective date of the
8 provisions of this act is July 1, 2024.

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