

LFC Requester:	Simon, Joseph
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/19/25 *Check all that apply:*
Bill Number: HB 454 Original Correction
 Amendment Substitute

Sponsor: Representative Baca **Agency Name and Code** 366-PERA
Short Title: EDUCATIONAL RETIREMENT CHANGES **Number:** _____
Person Writing Anna Williams
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

Effective July 1, 2025, HB 454 will amend section 22-11-31NMSA 1978 related to cost-of-living adjustments for ERB retirees as follows.

- Qualified pension recipients shall receive an annual, non-compounding, additional payment.
- The additional payment shall be determined by multiplying the amount of annual pension payments, inclusive of all cost-of-living adjustments prior to that fiscal year, by two percent.
- The non-compounding annual additional payment will be for the fiscal years 2026 and 2027.

The payments provided by HB 454 will be in addition to the compounding cost-of-living adjustments provided by existing law.

FISCAL IMPLICATIONS

HB 454 would not have an impact on PERA operating budget.

SIGNIFICANT ISSUES

None

PERFORMANCE IMPLICATIONS

HB 454 will not affect PERA's performance measures.

ADMINISTRATIVE IMPLICATIONS

None

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

PERA would continue to follow the existing statutes in NMSA 1978 and the New Mexico Constitution.

AMENDMENTS

None