

<b>LFC Requester:</b>	<b>Joseph Simons</b>
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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:** 1/25/2025 *Check all that apply:*  
**Bill Number:** SB133 Original  Correction   
 Amendment  Substitute

**Sponsor:** Peter Wirth **Agency Name and Code:** New Mexico Public Schools Insurance Authority  
**Short Title:** Educational Retirees Returning to Work **Number:** \_\_\_\_\_  
**Person Writing:** Kaylynn Roybal **Phone:** 505-476-1672 **Email:** kaylynn.roybal@psia.

**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		
				No Impact

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	No Impact	No Impact	No Impact	No Impact		No Impact

(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**

Amends Section 22-11-25.1 NMSA 1978 of the Educational Retirement Act to increase the annual earnings limitation for retired members returning to employment with a local administrative unit. The bill raises the maximum amount a retired member may earn without suspension of retirement benefits from fifteen thousand dollars (\$15,000) to twenty-five thousand dollars (\$25,000) in a calendar year.

The provisions for returning to employment without suspension of retirement benefits include a requirement that the retired member not render service to a local administrative unit for at least ninety days after retirement. Additionally, the retired member must not have entered into any formal or informal agreement to return to employment prior to or within ninety days after retirement. If these conditions are not met, the member's retirement benefits will be suspended.

Retired members returning to employment are required to make nonrefundable contributions to the Educational Retirement Fund as if they were non-retired employees. The employing local administrative unit must also contribute to the fund. Both the retired member and the local administrative unit are further obligated to make contributions to the Retiree Health Care Fund in accordance with Section 10-7C-15 NMSA 1978.

The bill preserves existing provisions that allow retired members who retired on or before January 1, 2001, and who have not suspended or been required to suspend their retirement benefits, to return to employment with a local administrative unit without suspension of benefits. It also allows retired members who have not rendered service to a local administrative unit for at least twelve consecutive months after the initial date of retirement to return to work without suspension of benefits.

The effective date is not explicitly stated in the bill.

#### **FISCAL IMPLICATIONS**

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

#### **SIGNIFICANT ISSUES**

#### **PERFORMANCE IMPLICATIONS**

#### **ADMINISTRATIVE IMPLICATIONS**

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

**TECHNICAL ISSUES**

**OTHER SUBSTANTIVE ISSUES**

**ALTERNATIVES**

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

**AMENDMENTS**