

LFC Requester:	Simon, Joseph
-----------------------	----------------------

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: 1/22/25 *Check all that apply:*
Bill Number: SJR02 Original Correction
 Amendment Substitute

Sponsor: <u>Senator Gonzales and Representative Borrego</u>	Agency Name and Code <u>366-PERA</u>
Short Title: <u>PUBLIC EMPLOYEES RETIREE HEALTH CARE FUNDS</u>	Number: _____
	Person Writing <u>Anna Williams</u>
	Phone: <u>505-259-8489</u> Email <u>anna.williams@pera.nm.gov</u>

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:

SJR 2 proposes an amendment to Article 20 of the Constitution of New Mexico by adding in a new section prohibiting the expenditure or encumbrance of trust funds created through the Retiree Health Care fund for any purpose except for the sole and exclusive benefit of the trust beneficiaries.

FISCAL IMPLICATIONS

SJR 2 will not have a fiscal impact on PERA.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

SJR 2 will not affect PERA's performance measures.

ADMINISTRATIVE IMPLICATIONS

SJR 2 will not impact PERA's administrative operations.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

The language of the Joint Resolution resembles the existing constitutional provision relating to the public employees retirement system and the educational retirement system. However, the Joint Resolution does not include the following language that is included in Section XX, Article 22 of the New Mexico Constitution: "The legislature shall not enact any law that increases the benefits paid by the system in any manner or changes the funding formula for a retirement plan unless adequate funding is provided."

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.