

Pay Parity Bill

Presented to Investments Pensions Oversight Committee

by State Treasurer Tim Eichenberg

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Background

There are significant disparities in the salaries paid to investment officers across the investing agencies of the State of New Mexico. The State Treasurer is a board member of all investing agencies and sees the lack of consistency in pay. The salaries of the chief investment officers at SIC, PERA and ERB are double that of the investment officers at the State Treasurer's Office. This is an untenable situation that must be addressed and managed.

What the proposed legislation does

- Requires the State Personnel Board to meet annually to establish classifications and pay plans and ensure parity in pay across each agency, in consultation with the executive director of the public employees retirement association, the director of the educational retirement board, the state investment council and the state treasurer.
- The State Personnel Board will also establish the qualifications necessary to be employed as and perform the duties of these positions.
- Covered employees
 - Chief Investment Officer
 - Deputy Chief Investment Officer and
 - Staff Investment Managers

Wage summary

	SIC	PERA	ERB	STO
CIO	\$ 280,026	\$ 180,888	\$ 268,555	\$ 141,663
Deputy CIO	269,178	164,248	201,934	122,781
Staff Investment Managers	161,507	164,248	151,667	-

- STOs investments are low-risk short-term investments which turnover frequently and generate significant trade volumes. This type of portfolio is labor intensive.
- STO is a hands-on manager – not a manager of managers.
- STO pays no management fees.