

**MINUTES
of the
FOURTH MEETING
of the
INVESTMENTS AND PENSIONS OVERSIGHT COMMITTEE**

**October 19-20, 2021
State Capitol, Senate Chambers
Santa Fe**

The fourth meeting of the Investments and Pensions Oversight Committee for the 2021 interim was called to order by Representative Patricia Roybal Caballero, chair, on Tuesday, October 19, 2021, at 10:15 a.m. in the Senate Chambers of the State Capitol in Santa Fe.

Present

Rep. Patricia Roybal Caballero, Chair
Sen. Roberto "Bobby" J. Gonzales, Vice Chair
Rep. Phelps Anderson
Sen. William F. Burt
Rep. Christine Chandler
Rep. Natalie Figueroa
Rep. Miguel P. Garcia
Sen. Daniel A. Ivey-Soto
Rep. William "Bill" R. Rehm
Sen. Antoinette Sedillo Lopez (10/20)
Rep. Linda Serrato
Sen. Elizabeth "Liz" Stefanics

Absent

Sen. Stuart Ingle

Advisory Members

Rep. Rachel A. Black

Sen. Jacob R. Candelaria
Rep. Doreen Y. Gallegos
Sen. Steven P. Neville
Sen. Michael Padilla
Sen. Shannon D. Pinto
Sen. Mimi Stewart

(Attendance dates are noted for members not present for the entire meeting.)

Staff

Anthony Montoya, Staff Attorney, Legislative Council Service (LCS)
Rebecca Griego, Records Officer, LCS
Nancy Martinez, Research Assistant, LCS
Carrie McGovern, Researcher, LCS

Guests

The guest list is in the meeting file.

Handouts

Copies of all handouts and written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the committee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and committee discussions for agenda items can be found on the recorded webcast for this meeting.

Tuesday, October 19

Judicial and Magistrate Retirement Plans (10:19 a.m.)

Arthur W. Pepin, director, Administrative Office of the Courts, provided committee members with an update on judicial and magistrate retirement plans and what is being proposed for these plans in the upcoming regular legislative session. The presentation document can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20101921%20Item%201%20Judicial%20and%20Magistrate%20AOC.pdf>.

Return-to-Work Provisions for Public Safety Employees (10:40 a.m.)

Representative Rehm and Representative Anderson presented proposed changes to the return-to-work provisions for retired public safety employees who want to return to work as a way to ameliorate the law enforcement personnel shortage. The presentation documents can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=IPOC&Date=10/19/2021&ItemNumber=2>.

Educational Retirement Board (ERB): Update (11:16 a.m.)

Rick A. Scroggins, interim executive director, ERB, and Bob Jacksha, chief investment officer, ERB, gave the committee an update on the ERB. The presentation document can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20101921%20Item%203%20ERB%20Update.pdf>.

State Personnel Office (SPO): State Employment Forecast (1:09 p.m.)

Ricky Serna, acting director, SPO; Greg Trujillo, executive director, Public Employees Retirement Association (PERA); and John Garrett, principal and consulting actuary, Cavanaugh

Macdonald Consulting, provided committee members with a state employment forecast and overview. The presentation document can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20101921%20Item%204%20Investments%20and%20Pensions%20Oversight%20Committee.pdf>.

PERA: SmartSave 457(b) Deferred Compensation Plan (2:08 p.m.)

Kristin Varela, acting chief investment officer, PERA, and Karyn Lujan, PERA SmartSave Deferred Compensation Plan manager, PERA, provided a presentation on the PERA's SmartSave 457(b) Deferred Compensation Plan. The presentation document can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20101921%20Item%205%20SmartSave%20.pdf>.

Approval of Minutes

Upon a motion made and seconded, and without any objection, the minutes of the October 8, 2021 meeting were approved as submitted.

State Treasurer's Office (STO): Update (2:43 p.m.)

Tim Eichenberg, state treasurer, and Vikki Y. Hanges, chief investment officer, STO, gave an update to committee members on activities at the STO. The presentation document can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20101921%20Item%206%20STO%20Update.pdf>.

Recess

The meeting recessed at 3:37 p.m.

Wednesday, October 20

Reconvene

Representative Roybal Caballero reconvened the meeting at 9:04 a.m.

The Hybrid Handbook and Examples of Creative Funding Solutions (9:05 a.m.)

Dan Doonan, executive director, National Institute on Retirement Security, and Elizabeth Wiley, F.S.A., E.A., F.C.A., M.A.A.A., consulting actuary, Cheiron, provided an overview of hybrid pension plans around the United States featuring elements of both defined benefit and defined contribution plans as well as examples of creative funding solutions. The presentation document can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20101921%20Item%207%20Hybrids%20and%20Creative%20Funding.pdf>.

Central New Mexico Community College Ingenuity (CNMI): Building a Start-Up Studio in New Mexico to Accelerate High-Growth Sectors (10:31 a.m.)

T.J. Cook, fund manager, Ingenuity Venture Fund, and Kyle Lee, chief executive officer, CNMI, and chair, Investment Committee, Ingenuity Venture Fund, gave a presentation on CNMI's Ingenuity Venture Fund and its efforts to support start-up companies in New Mexico.

The presentation document can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20101921%20Item%208%20Ingenuity%20Venture%20Studio%20Brief%20for%20NM%20IPOC.pdf>

New Mexico Work and Save: Update (11:12 a.m.)

Lynn Hoffman, chair, New Mexico Work and Save Board, and Claudia Armijo, executive director, New Mexico Work and Save, STO, presented an update on the New Mexico Work and Save Program. The presentation document can be found here:

<https://www.nmlegis.gov/handouts/IPOC%20101921%20Item%209%20NM%20Work%20and%20Save.pdf>

Adjournment

There being no further business before the committee, the meeting adjourned at 12:30 p.m.