

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,  
2000**

INTRODUCED BY  
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A JOINT MEMORIAL

REQUESTING THE PUBLIC EMPLOYEES RETIREMENT BOARD AND THE  
EDUCATIONAL RETIREMENT BOARD TO STUDY THE FEASIBILITY OF  
OFFERING EMPLOYEES A CHOICE OF A VARIETY OF CONTRIBUTION  
RATES WITH CONSEQUENTIAL RETIREMENT BENEFITS.

WHEREAS, the purpose of a retirement program should be  
to provide financial security to employees after their  
working careers; and

WHEREAS, because of budget constraints, many of New  
Mexico's public sector employees are faced with relatively  
small salaries and annual salary increases while their  
retirement benefits are considered among the best in the  
nation; and

WHEREAS, the need for current expendable income versus  
the need for a higher or lower retirement benefit may vary  
greatly among a group of employees depending upon such

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1 factors as the number of family members, the number of  
2 incomes per family and the number of family members  
3 participating in retirement programs; and

4 WHEREAS, many of today's public sector employees are  
5 sophisticated financial planners and quite capable of  
6 selecting retirement benefits that are best suited for  
7 themselves; and

8 WHEREAS, the availability of only one retirement benefit  
9 for a large group of employees may no longer be the most  
10 practical or the most beneficial to the employees;

11 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE  
12 STATE OF NEW MEXICO that the public employees retirement  
13 board and the educational retirement board be requested to  
14 conduct a study of the actuarial and practical feasibility of  
15 offering a variety of choices to public employees whereby an  
16 employee can elect to make higher or lower contributions into  
17 a retirement system in return for eventual lower or higher  
18 retirement benefits; and

19 BE IT FURTHER RESOLVED that the public employees  
20 retirement board and the educational retirement board submit  
21 the results of their study, including their findings and  
22 recommendations, to the first session of the forty-fifth  
23 legislature; and

24 BE IT FURTHER RESOLVED that copies of this memorial be  
25 transmitted to the public employees retirement board and the  
educational retirement board.