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HOUSE BILL 29

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Ben Lujan

FOR THE LEGISLATIVE EDUCATION STUDY COMMITTEE

AN ACT

**RELATING TO EDUCATIONAL RETIREMENT; PROVIDING FOR AN INCREASED
MULTIPLIER FOR SERVICE BEYOND TWENTY-FIVE YEARS.**

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**Section 1. Section 22-11-30 NMSA 1978 (being Laws 1967,
Chapter 16, Section 153, as amended) is amended to read:**

"22-11-30. RETIREMENT BENEFITS. --

**A. Retirement benefits for a member retired
pursuant to the Educational Retirement Act on or before June
30, 1967 shall be paid monthly and shall be one-twelfth of a
sum equal to one and one-half percent of the first four
thousand dollars (\$4,000) of the member's average annual
salary and one percent of the remainder of the member's
average annual salary multiplied by the number of years of the
member's total service credit.**

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1 B. Retirement benefits for a member retired
2 pursuant to the Educational Retirement Act on or after July 1,
3 1967 but on or before June 30, 1971 shall be paid monthly and
4 shall be one-twelfth of a sum equal to one and one-half
5 percent of the first six thousand six hundred dollars (\$6,600)
6 of the member's average annual salary and one percent of the
7 remainder of the member's average annual salary multiplied by
8 the number of years of the member's total service credit.

9 C. Retirement benefits for a member retired
10 pursuant to the Educational Retirement Act on or after July 1,
11 1971 but on or before June 30, 1974 shall be paid monthly and
12 shall be one-twelfth of a sum equal to one and one-half
13 percent of the member's average annual salary multiplied by
14 the number of years of the member's total service credit.

15 D. Retirement benefits for a member retired
16 pursuant to the Educational Retirement Act on or before June
17 30, 1974 but returning to employment on or after July 1, 1974
18 for a cumulation of one or more years shall be computed
19 pursuant to Subsection E of this section. Retirement benefits
20 for a member retired pursuant to the Educational Retirement
21 Act on or before June 30, 1974 but returning to employment on
22 or after July 1, 1974 for a cumulation of less than one year
23 shall be computed pursuant to Subsection A of this section if
24 his date of last retirement was on or before June 30, 1967 or
25 pursuant to Subsection B of this section if his date of last

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1 retirement was on or after July 1, 1967 but not later than
2 June 30, 1971 or pursuant to Subsection C of this section if
3 his date of last retirement was on or after July 1, 1971 but
4 not later than June 30, 1974.

5 E. Retirement benefits for a member age sixty or
6 over, retired pursuant to the Educational Retirement Act on or
7 after July 1, 1974 but not later than June 30, 1987, shall be
8 paid monthly and shall be one-twelfth of a sum equal to:

9 (1) one and one-half percent of the member's
10 average annual salary multiplied by the number of years of
11 service credit for:

12 (a) prior employment; and

13 (b) allowed service credit for service
14 performed prior to July 1, 1957, except United States military
15 service credit purchased pursuant to Paragraph (3) of
16 Subsection A of Section 22-11-34 NMSA 1978; plus

17 (2) two percent of the member's average
18 annual salary multiplied by the number of years of service
19 credit for:

20 (a) contributory employment;

21 (b) allowed service credit for service
22 performed after July 1, 1957; and

23 (c) United States military service
24 credit for service performed prior to July 1, 1957 and
25 purchased pursuant to Paragraph (3) of Subsection A of Section

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1 22-11-34 NMSA 1978.

2 F. Retirement benefits for a member age sixty or
3 over, retired pursuant to the Educational Retirement Act on or
4 after July 1, 1987 but not later than June 30, 1991, shall be
5 paid monthly and shall be one-twelfth of a sum equal to two
6 and fifteen hundredths percent of the member's average annual
7 salary multiplied by the number of years of the member's total
8 service credit; provided that this subsection shall not apply
9 to any member who was retired in any of the four quarters
10 ending on June 30, 1987 without having accumulated not less
11 than 1.0 years earned service credit after June 30, 1987.

12 G. Retirement benefits for a member age sixty or
13 over, retired pursuant to the Educational Retirement Act on or
14 after July 1, 1991, except as provided in Subsection H of this
15 section, shall be paid monthly and shall be one-twelfth of a
16 sum equal to two and thirty-five hundredths percent of the
17 member's average annual salary multiplied by the number of
18 years of the member's total service credit; provided that this
19 subsection shall not apply to any member who was retired in
20 any of the four consecutive quarters ending on June 30, 1991
21 without having accumulated at least one year earned service
22 credit beginning on or after July 1, 1991.

23 H. Retirement benefits for a member age sixty or
24 over, retired pursuant to the Educational Retirement Act on or
25 after July 1, 2004, shall be paid monthly and shall be:

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1 (1) for a member whose total service credit
2 is equal to or greater than twenty-six years but less than
3 twenty-seven years, one-twelfth of a sum equal to two and
4 thirty-eight hundredths percent of the member's average annual
5 salary multiplied by the number of years of the member's total
6 service credit; provided that this subsection shall not apply
7 to any member who was retired in any of the four consecutive
8 quarters ending on June 30, 2004 without having accumulated at
9 least one year earned service credit beginning on or after
10 July 1, 2003;

11 (2) for a member whose total service credit
12 is equal to or greater than twenty-seven years but less than
13 twenty-eight years, one-twelfth of a sum equal to two and
14 forty-one hundredths percent of the member's average annual
15 salary multiplied by the number of years of the member's total
16 service credit; provided that this subsection shall not apply
17 to any member who was retired in any of the four consecutive
18 quarters ending on June 30, 2004 without having accumulated at
19 least one year earned service credit beginning on or after
20 July 1, 2003;

21 (3) for a member whose total service credit
22 is equal to or greater than twenty-eight years but less than
23 twenty-nine years, one-twelfth of a sum equal to two and
24 forty-four hundredths percent of the member's average annual
25 salary multiplied by the number of years of the member's total

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1 service credit; provided that this subsection shall not apply
2 to any member who was retired in any of the four consecutive
3 quarters ending on June 30, 2004 without having accumulated at
4 least one year earned service credit beginning on or after
5 July 1, 2003;

6 (4) for a member whose total service credit
7 is equal to or greater than twenty-nine years but less than
8 less than thirty years, one-twelfth of a sum equal to two and
9 forty-seven hundredths percent of the member's average annual
10 salary multiplied by the number of years of the member's total
11 service credit; provided that this subsection shall not apply
12 to any member who was retired in any of the four consecutive
13 quarters ending on June 30, 2004 without having accumulated at
14 least one year earned service credit beginning on or after
15 July 1, 2003; or

16 (5) for a member whose total service credit
17 is thirty years or greater, one-twelfth of a sum equal to two
18 and one-half percent of the member's average annual salary
19 multiplied by the number of years of the member's total
20 service credit; provided that this subsection shall not apply
21 to any member who was retired in any of the four consecutive
22 quarters ending on June 30, 2004 without having accumulated at
23 least one year earned service credit beginning on or after
24 July 1, 2003.

25 [H.] I. A member's average annual salary, pursuant

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1 to this section, shall be computed on the basis of the last
2 five years for which contribution was made or upon the basis
3 of any consecutive five years for which contribution was made
4 by the member, whichever is higher. Members shall begin
5 receiving retirement benefits by age seventy and six months,
6 or upon termination of employment, whichever occurs later. "

7 Section 2. EFFECTIVE DATE. --The effective date of the
8 provisions of this act is July 1, 2001.

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